

**QBE Insurance Group Limited** 28 008 485 014  
Level 18, 388 George St, Sydney NSW 2000 Australia  
GPO Box 82, Sydney NSW 2001 Australia  
Tel: +61 2 9375 4444  
[qbe.com](http://qbe.com)



19 May 2026

**The Manager**

Market Announcements Office  
ASX Limited  
Exchange Place  
Level 27  
39 Martin Place  
SYDNEY NSW 2000

Dear Sir / Madam,

**Notice under section 708A(12H)(e) of the Corporations Act 2001 (Cth)**

Please find attached a notice under section 708A(12H)(e) of the Corporations Act 2001 (Cth) given by QBE Insurance Group Limited (ABN 28 008 485 014) in relation to the AUD500 million Floating Rate Capital Notes.

This release has been authorised by the QBE Disclosure Committee.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Carolyn Scobie'.

Carolyn Scobie  
**Company Secretary**  
Attachment

For personal use only

## QBE Insurance Group Limited (ABN 28 008 485 014)

### Notice under section 708A(12H)(e) of the Corporations Act 2001 (Cth)

This notice is given by QBE Insurance Group Limited (ABN 28 008 485 014) (“**QBE**” or the “**Issuer**”) under section 708A(12H)(e) of the *Corporations Act 2001* (Cth) (“**Corporations Act**”) as notionally inserted by *ASIC Corporations (Regulatory Capital Securities) Instrument 2026/88* (“**Instrument**”).

- 1 Pursuant to its U.S.\$5,500,000,000 Note Issuance Programme (“**Programme**”), QBE will today issue A\$500,000,000 perpetual floating rate capital notes (“**Capital Notes**”). Capital Notes are convertible into Ordinary Shares of QBE, in certain circumstances.
- 2 The Capital Notes will be debt obligations of the Issuer and are intended to constitute regulatory capital of the Issuer which satisfies Australian Prudential Regulation Authority’s (“**APRA’s**”) regulatory capital requirements for Additional Tier 1 Capital. The aggregate principal amount of the Capital Notes to be issued is A\$500,000,000. The effect of the issue on the Issuer will be to increase the total liabilities and total assets of the Issuer and Additional Tier 1 Capital by that amount.
- 3 If a Non-Viability Trigger Event, Acquisition Event, Mandatory Conversion Date or any Scheduled Optional Conversion Date occurs and QBE Converts the Capital Notes and QBE Ordinary Shares are issued to Noteholders (as required under the Conditions), the effect of Conversion on QBE would be to reduce the financial liability of QBE by the principal amount, less any unamortised costs of the issue, of the Capital Notes being Converted and increase QBE’s shareholders’ equity (QBE Ordinary Shares capital) by a corresponding amount.
- 4 The issue of the Capital Notes will not have a material impact on QBE’s financial position. The number of QBE Ordinary Shares issued on Conversion is limited to the Maximum Conversion Number. Based on the Issue Date VWAP of A\$22.70, the Maximum Conversion Number for Conversion is 220.2643 Ordinary Shares per Capital Note (with a denomination of A\$1,000).
- 5 This notice is a cleansing notice prepared for the purposes of section 708A(12H)(e) of the Corporations Act (as notionally inserted by the Instrument) to enable QBE Ordinary Shares issued on Conversion to be sold without further disclosure.
- 6 This notice includes:
  - a. in Schedule 1, a description of the rights and liabilities attaching to the Capital Notes, extracted from the offering circular dated 31 March 2026 (“**Offering Circular**”) relating to the Programme as amended by the pricing supplement for the Capital Notes dated 15 May 2026 (“**Pricing Supplement**”);
  - b. in Schedule 2, a description of the commercial particulars of the Pricing Supplement, which supplements the terms of the Offering Circular; and
  - c. in Schedule 3, a description of the rights and liabilities attaching to Ordinary Shares in the Issuer.
- 7 The Issuer is a “disclosing entity” for the purposes of the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules.

Copies of documents regarding the Issuer lodged with ASIC or ASX may be obtained from, or inspected at, any ASIC office or the ASX, respectively. Some of this information can also be accessed via the ASX website and at qbe.com.

In addition, copies of:

- the Issuer’s annual report most recently lodged with ASIC (being the Issuer’s 2025 Annual Report, which includes the most recent audited consolidated financial statements of the Issuer and its subsidiaries for the financial year ended 31 December 2025); and

- any other notice lodged with ASX under the continuous disclosure provisions of the ASX Listing Rules and the Corporations Act given by the Issuer after the lodgment of the Issuer's 2025 Annual Report with ASIC and before lodgment of this document with ASX,

may be obtained from the Issuer free of charge at its registered office at Level 18, 388 George Street, Sydney, New South Wales, Australia. These materials are also available electronically on the website of ASX, at [www.asx.com.au](http://www.asx.com.au).

8 Words and expressions defined in the Offering Circular and Pricing Supplement have the same meanings in this cleansing notice unless the contrary intention appears.

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES, OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON (AS DEFINED BELOW) OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES**

NOTHING IN THIS DOCUMENT CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES OF THE ISSUER (AS DEFINED HEREIN) IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES DESCRIBED HEREIN HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE SECURITIES DESCRIBED HEREIN MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES.

THIS DOCUMENT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

## SCHEDULE 1 – DESCRIPTION OF THE RIGHTS AND LIABILITIES ATTACHING TO THE CAPITAL NOTES

The following is an extract from the section entitled “Terms and Conditions of the Capital Notes” from the Offering Circular (as amended by the Pricing Supplement).

### 1 Status and Subordination

#### 1.1 Status and ranking

The Capital Notes and any related Coupons are direct, subordinated and unsecured obligations of the Issuer and rank for payment of interest and for the Face Value in a Winding-Up:

- (a) ahead of the obligations of the Issuer in respect of Ordinary Shares;
- (b) equally among themselves and with the obligations of the Issuer in respect of Equal Ranking Instruments; and
- (c) behind the obligations of the Issuer in respect of Senior Ranking Debt.

The obligations of the Issuer in respect of any Foreign Branch Notes and related Coupons are not limited to the assets of the relevant borrowing office. If the Issuer is unable to make a payment in respect of a Foreign Branch Note or related Coupon from the relevant borrowing office, the Issuer shall make the payment from some other place of business of the Issuer.

#### 1.2 Winding-Up

- (a) If an order is made by a court of competent jurisdiction in Australia (other than an order successfully appealed or permanently stayed within 30 days), or an effective resolution is passed or is taken under applicable law to have been passed, for the Winding-Up of the Issuer in Australia, the Capital Notes are redeemable for their Face Value in accordance with this Condition 1.2.
- (b) In a Winding-Up of the Issuer in Australia, a Capital Note confers upon the Noteholder, subject to Condition 7, the right to payment in cash of the Face Value of such Capital Note on a subordinated basis in accordance with Condition 1.3, but no further or other claim on the Issuer in the Winding-Up of the Issuer in any jurisdiction.

#### 1.3 Subordination in a Winding-Up

In a Winding-Up of the Issuer in Australia, the claim by a Noteholder, or any other person on behalf of the Noteholder, for the Face Value of a Capital Note, is subordinated to claims in respect of Senior Ranking Debt, in that:

- (a) all claims in respect of Senior Ranking Debt (including in respect of any entitlement to interest under section 563B of the Corporations Act) must be paid in full before the Noteholder’s claim is paid; and
- (b) until the claims in respect of Senior Ranking Debt have been paid in full, the Noteholder must not claim in the Winding-Up in competition with the creditors under the Senior Ranking Debt so as to diminish any distribution, dividend or payment which, but for that claim, the creditors under the Senior Ranking Debt would have been entitled to receive,

so that the Noteholder receives, for each Capital Note it holds, an amount equal to the amount it would have received if, in the Winding-Up of the Issuer, it had held an issued and fully paid Preference Share.

#### 1.4 Agreements and acknowledgments of Noteholders

Each Noteholder irrevocably acknowledges and agrees that:

- For personal use only
- (a) this Condition 1 is a debt subordination for the purposes of section 563C of the Corporations Act;
  - (b) it does not have, and waives to the maximum extent permitted by law, any entitlement to interest under section 563B of the Corporations Act to the extent that a holder of a Preference Share would not be entitled to such interest;
  - (c) without limiting its rights other than in respect of a Capital Note, it must not exercise its voting rights or other rights as an unsecured creditor in the Winding-Up or administration of the Issuer in any jurisdiction to defeat the subordination in this Condition 1;
  - (d) the debt subordination effected by this Condition 1 is not affected by any act or omission of the Issuer or any creditor under any Senior Ranking Debt which might otherwise affect it at law or in equity; and
  - (e) it must pay or deliver to the liquidator any amount or asset received on account of its claim in the winding-up of the Issuer in any jurisdiction in connection with a Capital Note in excess of its entitlement under this Condition 1.

### **1.5 Effect of Non-Viability Trigger Event**

If a Non-Viability Trigger Event occurs, despite any other provision in these Conditions, Capital Notes will be Converted into Ordinary Shares as provided in Condition 7 or, if Condition 7.3 applies, Written-Off.

### **1.6 No consent of creditors under Senior Ranking Debt**

Nothing in this Condition 1 shall be taken to require the consent of any creditor under any Senior Ranking Debt to any amendment of these Conditions.

### **1.7 No security interest**

Nothing in this Condition 1 shall be taken to create an Encumbrance on or over any right of a Noteholder.

### **1.8 No guarantee, insurance or other support**

A Capital Note is not guaranteed or insured by any government, Government Agency or compensation scheme of Australia or any other jurisdiction, by any other member of the Group or by any other person.

---

## **2 Form, denomination and currency**

### **2.1 Bearer Notes and Registered Notes**

Capital Notes are issued as Bearer Notes or as Registered Notes as specified in the applicable Pricing Supplement and, in the case of Capital Notes in definitive form ("**Definitive Notes**"), are serially numbered.

Bearer Notes may not be exchanged for Registered Notes and vice versa.

### **2.2 Denomination**

Capital Notes are issued in one or more denominations ("**Specified Denomination(s)**"), as specified in the applicable Pricing Supplement, provided that:

- (a) in the case of Australian Domestic Notes, Capital Notes shall only be offered and applications may only be invited (in each case directly or indirectly) if:
  - (i) the aggregate consideration payable to the Issuer by the subscriber is at least A\$500,000 (disregarding moneys lent by the Issuer or its associates) or the Capital

Notes are otherwise issued in a manner which does not require disclosure in accordance with Part 6D.2 or Chapter 7 of the Corporations Act;

- (ii) the offer or invitation from which the issue results does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act; and
  - (iii) the offer or invitation complies with all other applicable laws and directives in the jurisdiction in which the offer, invitation or issue takes place; and
- (b) in any other case, the minimum Specified Denomination shall be €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000 (or in each case the equivalent in the Specified Currency). No Definitive Bearer Notes will be issued with a denomination above €199,000 (or its equivalent in the Specified Currency).

Capital Notes in one Specified Denomination may not be exchanged for Capital Notes in another Specified Denomination.

Each Capital Note must be paid for in full on application.

### 2.3 Currency

Capital Notes are issued in the currency (“**Specified Currency**”) specified in the applicable Pricing Supplement.

---

## 3 Title and transfer

### 3.1 Title generally

Subject as set out in Conditions 3.2, 3.3 and 3.4:

- (a) title to Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of a transfer in accordance with the provisions of the Euro Agency Agreement or the Australian Note Deed Poll and the Australian Agency and Registry Agreement (as applicable); and
- (b) the Issuer and the Agents will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not payments in respect of the Capital Notes have been made as scheduled and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes.

### 3.2 Title to Global Notes in Euroclear and/or Clearstream, Luxembourg

For so long as the Capital Notes are represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Capital Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Capital Notes 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 Agents as the holder of such nominal amount of such Capital Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Capital Notes, for which purpose the bearer of the relevant Global Note or the registered holder of the relevant Global Note shall be treated by the Issuer and any Agent as the holder of such nominal amount of such Capital Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “**Noteholder**” and “**holder of Capital Notes**” and related expressions shall be construed accordingly.

### 3.3 Title to Global Notes in DTC

For so long as the Depository Trust Company (“DTC”) or its nominee is the registered owner or holder of a Registered Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Capital Notes represented by such Registered Global Note for all purposes under the Euro Agency Agreement and the Capital Notes except to the extent that in accordance with DTC’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through such participants.

### 3.4 Title to Australian Domestic Notes

In respect of Australian Domestic Notes, each entry in the Australian Register in respect of a Capital Note constitutes:

- (a) an irrevocable undertaking by the Issuer to the Noteholder to:
  - (i) pay principal, (if applicable) interest and any other amount in accordance with these Conditions; and
  - (ii) comply with the other Conditions of the Capital Note; and
- (b) an entitlement to the other benefits given to Noteholder in respect of the Capital Note under these Conditions.

Entries in the Australian Register in relation to an Australian Domestic Note constitute conclusive evidence that the person so entered is the absolute owner of the Capital Note subject to correction for fraud or error.

Where two or more persons are entered in the Australian Register as the joint holder of an Australian Domestic Note then they are taken to hold the Capital Note as joint tenants with rights of survivorship, but the Australian Registrar is not bound to register more than four persons as joint holders of a Capital Note.

### 3.5 Transfers of interests in Global Notes

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

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear, Clearstream, Luxembourg or DTC, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be exchangeable for Capital Notes in definitive form or for a beneficial interest in another Registered Global Note only in the authorised denominations set out in the applicable Pricing Supplement and only in accordance with the rules and operating procedures for the time being of Euroclear, Clearstream, Luxembourg or DTC, as the case may be and in accordance with the terms and conditions specified in the Euro Agency Agreement. Transfers of a Registered Global Note shall be limited to transfers of such Registered Global Note, in whole but not in part, to a nominee of Euroclear, Clearstream, Luxembourg or DTC (as the case may be) or to a successor of Euroclear, Clearstream, Luxembourg or DTC (as the case may be) or such successor’s nominee and will be subject to compliance with all applicable legal and regulatory restrictions and the terms and conditions of the Euro Agency Agreement.

### 3.6 Transfers of Definitive Registered Notes

Subject as provided in Conditions 3.10, 3.11, 3.12 and 3.13 below, upon the terms and subject to the conditions set forth in the Euro Agency Agreement and subject to compliance with all applicable legal and regulatory restrictions, a Definitive Registered Note may be transferred in whole or in part (in the authorised denominations set out in the applicable Pricing Supplement). In order to effect any such transfer:

- (a) the holder or holders must:

- For personal use only
- (i) surrender the Definitive Registered Note for registration of the transfer of the Definitive Registered Note (or the relevant part of the Definitive Registered Note) at the Specified Office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing; and
  - (ii) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent; and
- (b) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request.

Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 7 to the Euro Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being days on which commercial banks are open for business in the city where the Specified Office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations) authenticate and deliver, or procure the authentication and delivery of, at its Specified Office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Definitive Registered Note of a like aggregate nominal amount to the Definitive Registered Note (or the relevant part of the Definitive Registered Note) transferred. In the case of the transfer of part only of a Definitive Registered Note, a new Definitive Registered Note in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

### 3.7 Transfers of Australian Domestic Notes

- (a) Australian Domestic Notes held in the Austraclear System will be transferable only in accordance with the Austraclear Regulations.
- (b) If Australian Domestic Notes are not held in the Austraclear System, application for the transfer of Australian Domestic Notes must be made by the lodgement of a Transfer Form with the Australian Registrar. Transfer Forms are available from the Australian Registrar. Each form must be duly stamped (if applicable) and accompanied by such evidence (if any) as the Australian Registrar may require to prove the title of the transferor or the transferor's right to transfer the Australian Domestic Notes and be signed by both the transferor and the transferee.
- (c) Australian Domestic Notes may be transferred in whole but not in part. Australian Domestic Notes may only be transferred if:
  - (i) the aggregate consideration payable by the relevant Noteholder is at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the Issuer or its associates to the subscriber or its associates) or if the offer or invitation (including any resulting issue) otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
  - (ii) the offer or invitation is not made to a person who is a "retail client" within the meaning of section 761G of the Corporations Act; and
  - (iii) the offer or invitation complies with all other applicable laws and directives in the jurisdiction in which the offer, invitation or issue takes place.

### 3.8 Registration of transfer upon partial redemption

In the event of a partial redemption of Notes under Condition 10, the Issuer, Registrar or Australian Registrar (as applicable) shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

### 3.9 Costs of registration

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

### 3.10 Transfers of interests in Regulation S Global Notes and Australian Domestic Notes

Prior to expiry of the Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Regulation S Global Note or an Australian Domestic Note to a transferee in the United States or who is a U.S. person will only be made:

- (a) in respect of a Regulation S Global Note only, upon receipt by the Registrar of a written certification substantially in the form set out in the Euro Agency Agreement, amended as appropriate (a “**Transfer Certificate**”), copies of which are available from the Specified Office of the Registrar or any Transfer Agent, from the transferor of the Capital Note or beneficial interest therein to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; or
- (b) in respect of a Regulation S Global Note or an Australian Domestic Note, otherwise pursuant to and in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

In the case of Condition 3.10(a) above, such transferee may take delivery through a Legended Note in a global or definitive form. After expiry of the Distribution Compliance Period:

- (i) beneficial interests in Regulation S Global Notes may be held through DTC directly, by a participant in DTC, or indirectly through a participant in DTC; and
- (ii) such certification requirements will no longer apply to such transfers.

### 3.11 Transfers of beneficial interests in Legended Notes

Transfers of Legended Notes or beneficial interests therein may be made:

- (a) to a transferee who takes delivery of such interest through a Regulation S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S and that, if such transfer is being made prior to expiry of the Distribution Compliance Period, the interests in the Capital Notes being transferred will be held immediately thereafter through Euroclear and/or Clearstream, Luxembourg;
- (b) to a transferee who takes delivery of such interest through a Legended Note where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or
- (c) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the Legend, the Registrar shall deliver only Legended Notes or refuse to remove such Legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

### 3.12 Closed periods

No Noteholder may require the transfer of a Registered Note to be registered:

- (a) during the period of 15 days ending on the due date for any payment of principal on that Registered Note;
- (b) after notice is given that such Registered Note will be redeemed pursuant to Conditions 10.1 or 10.2; and
- (c) during the period of five Registry Business Days ending on (and including) any Record Date.

### 3.13 Exchanges of Definitive Registered Notes generally

Holders of Definitive Registered Notes may exchange such Capital Notes for interests in a Registered Global Note of the same type at any time.

---

## 4 Interest generally

### 4.1 Fixed Rate Notes and Floating Rate Notes

Capital Notes may bear interest at a fixed (“**Fixed Rate Notes**”) or floating rate (“**Floating Rate Notes**”) or a combination of both, depending upon the Interest Basis specified in the applicable Pricing Supplement.

### 4.2 Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of Conditions 4, 5 and 6, whether by the Principal Paying Agent or the Australian Calculation Agent, shall (in the absence of wilful default, bad faith, manifest error or proven error) be binding on the Issuer, the Agents and all Noteholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Principal Paying Agent or the Australian Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

### 4.3 Cessation of interest

Each Capital Note (or in the case of the redemption, Conversion or Write-Off of part only of a Capital Note, that part only of such Capital Note) will cease to bear interest (if any) from the earlier of the date for its redemption or the date it is Converted or Written-Off unless, in connection with redemption only, payment of principal is improperly withheld or refused (upon due presentation in the case of Capital Notes other than Australian Domestic Notes). In such event, the Capital Notes will continue to bear interest until whichever is the earlier of:

- (a) the date on which such Capital Note has been redeemed; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Capital Note has been received by the Principal Paying Agent, the Registrar or the Australian Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 17.

#### 4.4 Interest payment conditions

The payment of any interest amount will be made unless:

- (a) the Issuer, in its absolute discretion, determines that the interest amount is not payable to Noteholders;
- (b) payment of the interest amount would result in the Issuer breaching APRA's capital adequacy requirements applicable to it; or
- (c) payment of the interest amount would result in the Issuer ceasing to be, or being likely to cease to be, Solvent.

In determining not to pay interest on a Capital Note, the Issuer shall consider payment of the relevant interest amount as if it were payment of a dividend on a Preference Share.

#### 4.5 Non-payment of interest

- (a) Interest is non-cumulative. If all or any part of any interest amount is not paid because of Condition 4.4, the Issuer has no liability to pay the unpaid amount of the interest amount and Noteholders have no claim or entitlement in respect of any person in respect of such non-payment and such non-payment does not constitute an event of default however described, determined or defined.
- (b) No interest accrues on any unpaid interest amount and the Noteholders have no claim or entitlement in respect of interest on any unpaid interest amounts.
- (c) If all or any part of an interest amount will not be paid in whole or part because of Condition 4.4, the Issuer must give notice to the Noteholders and the Principal Paying Agent promptly after determining or becoming aware that that payment will not be made.

#### 4.6 Dividend Restriction

- (a) If, for any reason, an amount of interest has not been paid in full on the relevant Interest Payment Date, a Dividend Restriction shall apply from that date until the next Interest Payment Date unless the amount of interest is paid in full within 10 Business Days of the relevant Interest Payment Date.

**"Dividend Restriction"** means that the Issuer must not, without prior approval of an Extraordinary Resolution of Noteholders:

- (i) determine, declare or pay any Ordinary Share Dividend; or
  - (ii) undertake any Buy-Back or Capital Reduction.
- (b) The Dividend Restriction does not apply:
- (i) in connection with any employment contract, employee equity plan, other benefit plan or other similar arrangement with or for the benefit of any one or more employees, officers, directors or consultants of a member of the Group;
  - (ii) in connection with the Issuer or a member of the Group purchasing Ordinary Shares:
    - (A) in connection with transactions for the account of customers of a member of the Group; or
    - (B) with the prior written approval of APRA, in connection with the distribution or trading of any securities of the Issuer or any other shares in the capital of the Issuer in the ordinary course of business; or
  - (iii) to the extent that at the time an amount of interest has not been paid on the relevant Interest Payment Date, the Issuer is legally obliged to pay on or after that

date an Ordinary Share Dividend or is legally obliged to complete on or after that date a Buy-Back or Capital Reduction.

#### 4.7 Franking adjustment

This Condition 4.7 applies where specified in the applicable Pricing Supplement.

Where this Condition 4.7 applies, the "Rate of Interest" applicable to a Capital Note is the rate which, but for this Condition 4.7, would be the Rate of Interest, adjusted by multiplying that rate by the Franking Adjustment Factor, where:

**Franking Adjustment Factor** means:  $\frac{(1-T)}{1-[T \times (1-F)]}$

"F" means that franking percentage, as defined under Part 3-6 of the Tax Act, for an amount of interest as at the relevant Interest Payment Date (expressed as a decimal) multiplied by the proportion of the relevant amount of interest that is frankable; and

"T" means the Australian corporate tax rate applicable to the franking account of the Issuer on the relevant Interest Payment Date (expressed as a decimal).

The Franking Adjustment Factor in respect of each Interest Payment Date shall be determined by the Issuer and notified to the Australian Calculation Agent (such notice to be given no later than 10 Business Days before the Interest Payment Date).

---

## 5 Interest on Fixed Rate Notes

### 5.1 Application

This Condition 5 applies only in respect of Capital Notes to which Fixed Rate Note Provisions are applicable according to the applicable Pricing Supplement.

### 5.2 Fixed Rate Note specifications

The applicable Pricing Supplement will specify the Calculation Amount, the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Fixed Coupon Amount(s), any applicable Broken Amount(s), the Day Count Fraction and any applicable Determination Date.

### 5.3 Interest on Fixed Rate Notes

Unless previously redeemed in full, Converted in full, Written-Off in full or otherwise cancelled in full, and subject to Condition 4.4, each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest scheduled to be paid in arrear on the Interest Payment Date(s) in each year.

### 5.4 Specified Fixed Coupon Amounts and Broken Amounts

Subject to Condition 4.4, the amount of interest scheduled to be paid on each Interest Payment Date in respect of the Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount if so specified in the applicable Pricing Supplement. Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

### 5.5 Calculation of interest

Except in the case of Capital Notes where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (a) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Capital Notes represented by such Global Note;

- (b) in the case of Fixed Rate Notes which are Australian Domestic Notes, the outstanding nominal amount of the Capital Note; and
- (c) otherwise, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Note which is in definitive form is a multiple of the Calculation Amount, the amount of interest scheduled to be paid in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination (or where such Capital Note has been Converted or Written-Off in part, the Face Value of that Capital Note), without any further rounding.

---

## 6 Interest on Floating Rate Notes

### 6.1 Application

This Condition 6 applies only in respect of Capital Notes to which Floating Rate Note Provisions are applicable according to the applicable Pricing Supplement.

### 6.2 Floating Rate Note specifications

The applicable Pricing Supplement will specify the Calculation Amount, the Interest Commencement Date, the Specified Period(s) or Specified Interest Payment Dates, the Business Day Convention, any Additional Business Centre(s), the Margin, the Day Count Fraction and any other information on the manner in which the Rate of Interest is to be determined.

### 6.3 Interest Payment Dates

Unless previously redeemed in full, Converted in full, Written-Off in full or otherwise cancelled in full, and subject to Condition 4.4, each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be scheduled to be paid in arrear on either:

- (a) the Specified Interest Payment Date(s) in each year specified in the applicable Pricing Supplement; or
- (b) if no express Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each such date, together with each Specified Interest Payment Date, an “**Interest Payment Date**”) which falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be scheduled to be paid in respect of each Interest Period.

### 6.4 Business Day Convention

If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (a) in any case where Specified Periods are specified in accordance with Condition 6.3(b) above, the Floating Rate Convention, such Interest Payment Date:
- (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of Condition 6.4(a)(ii)(B) below shall apply *mutatis mutandis*; or

- (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event:
- (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day; and
  - (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred;
- (b) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day;
- (c) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (d) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

## 6.5 Rate of Interest

The Rate of Interest scheduled to be paid from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Pricing Supplement and the following provisions of these Conditions relating to either Screen Rate Determination, ISDA Determination, AONIA Rate Determination or BBSW Determination shall apply accordingly, depending upon which is specified in the applicable Pricing Supplement.

## 6.6 Screen Rate Determination

### (a) Screen Rate Determination for Floating Rate Notes not referencing Compounded Daily SONIA, Compounded Daily SOFR, Compounded SOFR Index Rate or Average SOFR

Where "Screen Rate Determination" is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, and unless the Reference Rate in respect of the relevant Series of Floating Rate Notes is specified in the applicable Pricing Supplement as being "Compounded Daily SONIA", "Compounded Daily SOFR", "Compounded SOFR Index Rate" or "Average SOFR" the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (i) the Relevant Rate (where the Relevant Rate on the Relevant Screen Page is a composite quotation or is customarily supplied by one entity) which appears on the Relevant Screen Page; or
- (ii) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the Relevant Rates of the persons whose Relevant Rates appear on the Relevant Screen Page,

(expressed as a percentage rate per annum) at the Relevant Time in the Relevant Financial Centre on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Principal Paying Agent or the Australian Calculation Agent (as applicable).

If Condition 6.6(a)(ii) applies and five or more of such Relevant Rates are available on the Relevant Screen Page, the highest (or, if there is more than one such highest Relevant Rate, one only of such Relevant Rates) and the lowest (or, if there is more than one such lowest Relevant Rate, one only of such Relevant Rates) shall be disregarded by the Principal Paying Agent or the Australian Calculation Agent (as applicable) for the purpose of determining the arithmetic mean.

If the Relevant Screen Page is not available or if, in the case of Condition 6.6(a)(i) above, no such Relevant Rate appears or, in the case of Condition 6.6(a)(ii) above, fewer than three Relevant Rates appear, then, unless the Principal Paying Agent or the Australian Calculation Agent (as applicable) has been notified of any Reference Rate Successor Rate (and any related adjustments and successor inputs) pursuant to Condition 6.12 below, if applicable, the Issuer shall request the relevant Reference Banks to provide the Principal Paying Agent or the Australian Calculation Agent (as applicable) with the rate or rates that each such Reference Bank is quoting to leading banks in respect of the Relevant Rate at approximately the Relevant Time in the Relevant Financial Centre on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent or the Australian Calculation Agent (as applicable) with such rate or rates, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such rates plus or minus (as appropriate) the Margin (if any), all as determined by the Principal Paying Agent or the Australian Calculation Agent (as applicable).

If on any Interest Determination Date one only or none of the Reference Banks provides the Principal Paying Agent or the Australian Calculation Agent (as applicable) with such rate or rates as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Principal Paying Agent or the Australian Calculation Agent (as applicable) determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates (being the nearest equivalent to the Relevant Rate) that at least two out of five leading banks selected by the Issuer in the Relevant Financial Centre are quoting at or about the Relevant Time on the Interest Determination Date to leading banks carrying on business in the Relevant Financial Centre; except that if fewer than two of such banks are quoting to leading banks in the Relevant Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date.

If the applicable Pricing Supplement specifies an alternate method for the determination of the Screen Rate Determination, then that alternate method will apply.

**(b) Screen Rate Determination for Floating Rate Notes referencing Compounded Daily SONIA**

Where “Screen Rate Determination” is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, and the Reference Rate is specified in the applicable Pricing Supplement as being “Compounded Daily SONIA”, the Rate of Interest for an Interest Accrual Period will, subject as provided below, be the Compounded Daily SONIA with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any).

For the purposes of this Condition 6.6(b), “**Compounded Daily SONIA**” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one ten-thousandth of a percentage point, with 0.00005 being rounded upwards):

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

where:

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

“**d<sub>o</sub>**” is the number of London Banking Days in the relevant Interest Accrual Period;

“i” is a series of whole numbers from one to  $d_0$ , each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in the relevant Interest Accrual Period;

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

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

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

“p” is the number of London Banking Days by which an Observation Period lags the corresponding Interest Accrual Period, being the number of London Banking Days specified as the “SONIA Lag Period (p)” in the applicable Pricing Supplement (or, if no such number is so specified, five London Banking Days);

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

“**SONIA<sub>i-pLBD</sub>**” means the SONIA reference rate for the London Banking Day (being a London Banking Day falling in the relevant Observation Period) falling “p” London Banking Days prior to the relevant London Banking Day “i”.

If, in respect of any London Banking Day in the relevant Observation Period, the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) determines that the applicable SONIA reference rate has not been made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then, unless the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) has been notified of any Reference Rate Successor Rate (and any related adjustments and successor inputs) pursuant to Condition 6.12 below, if applicable, the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement, as applicable) shall determine the SONIA reference rate in respect of such London Banking Day as being:

- (i) (a) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at 5.00 p.m. (or, if earlier, close of business) on such London Banking Day; plus (b) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and the lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
- (ii) if the Bank Rate under paragraph (i)(a) above is not available at the relevant time, either (a) the SONIA reference rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA reference rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors); or (b) if this is more recent, the latest rate determined under paragraph (i) above.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be:

- (i) that determined as at the last preceding Interest Determination Date; or
- (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Capital Notes for the first scheduled Interest Period had the Capital Notes been on issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date (and applying the Margin applicable to the first scheduled Interest Period).

As used herein, an “**Interest Accrual Period**” means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due.

**(c) Screen Rate Determination for Floating Rate Notes referencing Compounded Daily SOFR**

Where “Screen Rate Determination” is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, and the Reference Rate is specified in the applicable Pricing Supplement as being “Compounded Daily SOFR”, the Rate of Interest for an Interest Period will, subject as provided below, be the Compounded Daily SOFR with respect to such Interest Period plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any).

For the purposes of this Condition 6.6(c), “**Compounded Daily SOFR**” means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the Secured Overnight Financing Rate as the reference rate for the calculation of interest) as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the relevant SOFR Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

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

where:

“**d**” means, in relation to any Interest Period, the number of calendar days in:

- (i) where “Lookback” is specified as the Observation Method in the applicable Pricing Supplement, such Interest Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Pricing Supplement, the relevant Observation Period;

“**d<sub>o</sub>**” means the number of U.S. Government Securities Business Days in:

- (i) where “Lookback” is specified as the Observation Method in the applicable Pricing Supplement, the relevant Interest Period; or
- (ii) where “Observation Shift” is specified as the Observation Method in the applicable Pricing Supplement, the relevant Observation Period;

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

- (i) where "Lookback" is specified as the Observation Method in the applicable Pricing Supplement, the relevant Interest Period; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Pricing Supplement, the relevant Observation Period;

" $n_i$ " means, for any U.S. Government Securities Business Day "i", the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day;

"**Observation Period**" means, in respect of an Interest Period, the period from (and including) the date falling " $p$ " U.S. Government Securities Business Days prior to the first day of the relevant Interest Period to (but excluding) the date falling " $p$ " U.S. Government Securities Business Days prior to (I) the Interest Payment Date for such Interest Period or (II) if applicable, the relevant payment date if the Capital Notes become due and payable on a date other than an Interest Payment Date;

" $p$ " means:

- (i) where "Lookback" is specified as the Observation Method in the applicable Pricing Supplement, the number of U.S. Government Securities Business Days included in the "Lookback Period ( $p$ )" in the applicable Pricing Supplement (or, if no such number is so specified, five U.S. Government Securities Business Days); or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Pricing Supplement, the number of U.S. Government Securities Business Days included in the "Observation Shift Period" in the applicable Pricing Supplement (or, if no such number is so specified, five U.S. Government Securities Business Days);

"**Reset Period**" means the period comprising the number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement under the heading "Reset Period";

"**SOFR**" means, in respect of any U.S. Government Securities Business Day, a rate determined in accordance with the following provisions:

- (i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day that appears on the SOFR Administrator's Website at or about 3.00 p.m. (New York City time) on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day; and
- (ii) if the rate specified in paragraph (i) above does not so appear, unless both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, then the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) shall use the Secured Overnight Financing Rate published on the SOFR Administrator's Website for the first preceding U.S. Government Securities Business Day on which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

"**SOFR<sub>i</sub>**" means, in relation to any U.S. Government Securities Business Day "i":

- (i) where "Lookback" is specified as the Observation Method in the applicable Pricing Supplement, SOFR in respect of the U.S. Government Securities Business Day falling " $p$ " U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or
- (ii) where "Observation Shift" is specified as the Observation Method in the applicable Pricing Supplement, SOFR in respect of such U.S. Government Securities Business Day "i";

**“SOFR Interest Determination Date”** means, the U.S. Government Securities Business Day that precedes the Interest Payment Date by the number of U.S. Government Securities Business Days in the Reset Period; and

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

Certain other capitalised terms used in the foregoing terms and provisions relating to determination of the Compounded Daily SOFR have the meanings set forth under Condition 6.6(f) below.

Notwithstanding anything to the contrary, if both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to determining the Compounded Daily SOFR, the benchmark replacement provisions set forth in Condition 6.6(f) below shall apply for the purposes of all determinations of the Rate of Interest in respect of the Capital Notes.

**(d) Screen Rate Determination for Floating Rate Notes referencing Compounded SOFR Index Rate**

Where “Screen Rate Determination” is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, and the Reference Rate is specified in the applicable Pricing Supplement as being “Compounded SOFR Index Rate”, the Rate of Interest for an Interest Period will, subject as provided below, be the Compounded SOFR Index Rate with respect to such Interest Period plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any).

**“Compounded SOFR Index Rate”** means, with respect to an Interest Period, the rate of return of a daily compound interest investment in U.S. dollars as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the relevant SOFR Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

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

where:

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

**“Relevant Number”** is as specified in the applicable Pricing Supplement;

**“SOFR Index<sub>End</sub>”** means the SOFR Index value relating to the U.S. Government Securities Business Day falling the Relevant Number of U.S. Government Securities Business Days prior to (I) the Interest Payment Date for the relevant Interest Period or (II) if applicable, the relevant payment date if the Capital Notes become due and payable on a date other than an Interest Payment Date;

**“SOFR Index<sub>Start</sub>”** means the SOFR Index value relating to the U.S. Government Securities Business Day falling the Relevant Number of U.S. Government Securities Business Days prior to the first date of the relevant Interest Period;

**“SOFR Index”** means, with respect to any U.S. Government Securities Business Day, prior to a Benchmark Replacement Date:

- (i) the SOFR Index published for such U.S. Government Securities Business Day as such value appears on the SOFR Administrator's Website at 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day; provided that
- (ii) if the SOFR Index<sub>Start</sub> or the SOFR Index<sub>End</sub> does not appear on the SOFR Administrator's Website on the relevant SOFR Interest Determination Date and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to the Compounded SOFR Index Rate, the Compounded SOFR Index Rate for the applicable Interest Period for which such SOFR Index is not available shall be the "Compounded Daily SOFR" determined in accordance with Condition 6.6(c) above as if the Calculation Method specified in the applicable Pricing Supplement were "Compounded Daily SOFR" (and not "SOFR Index Determination"), and for these purposes: (i) the "Observation Method" shall be deemed to be "Observation Shift", and (ii) the "Observation Shift Period" shall be deemed to be equal to the Relevant Number of U.S. Government Securities Business Days, as if those alternative elections had been made in the applicable Pricing Supplement; and

"U.S. Government Securities Business Day" has the meaning set out in Condition 6.6(c) above.

Certain other capitalised terms used in the foregoing terms and provisions relating to determination of the Compounded SOFR Index Rate have the meanings set forth under Condition 6.6(f) below.

Notwithstanding anything to the contrary, if both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to determining the Compounded SOFR Index Rate, the benchmark replacement provisions set forth in Condition 6.6(f) below shall apply for the purposes of all determinations of the Rate of Interest in respect of the Capital Notes.

**(e) Screen Rate Determination for Floating Rate Notes referencing Average SOFR**

Where "Screen Rate Determination" is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, and the Reference Rate is specified in the applicable Pricing Supplement as being "Average SOFR", the Rate of Interest for an Interest Period will, subject as provided below, be the Average SOFR Rate with respect to such Interest Period plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any).

"Average SOFR Rate" means, with respect to an Interest Period, the arithmetic mean of SOFR in effect during such Interest Period as calculated by the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the relevant SOFR Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\frac{\sum_{i=1}^{d_0} \text{SOFR}_i \times n_i}{d}$$

where **d**, **d<sub>0</sub>**, **i**, **n<sub>i</sub>**, **SOFR** and **SOFR<sub>i</sub>** have the meanings set out in Condition 6.6(c) above.

Notwithstanding anything to the contrary, if both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to determining the Average SOFR Rate, the benchmark replacement provisions set forth in Condition 6.6(f) below shall apply for the purposes of all determinations of the Rate of Interest in respect of the Capital Notes

**(f) SOFR Benchmark Replacement**

Notwithstanding any other provisions in these Conditions if any Rate of Interest (or any component part thereof) remains to be determined by reference to a Benchmark, then the

following provisions of this Condition 6.6(f) shall apply subject to the prior written approval of APRA.

*Holders of Capital Notes should note that APRA's approval may not be given for any Benchmark Replacement, Benchmark Replacement Conforming Change or Benchmark Replacement Adjustment it considers to have the effect of increasing the Rate of Interest contrary to applicable prudential standards.*

**(i) Benchmark Replacement**

If the Issuer or its Designee determines prior to the Reference Time in respect of any determination of the SOFR on the relevant SOFR Interest Determination Date that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and all determinations on all subsequent dates (subject to any subsequent application of this 6.6(f) with respect to such Benchmark Replacement).

In the event that the Issuer or its Designee is unable to, or does not, determine a Benchmark Replacement, or a Benchmark Replacement is not implemented in accordance with this Condition 6.6(f), prior to 5:00 p.m. (New York City time) on the relevant SOFR Interest Determination Date, the Rate of Interest for the relevant Interest Period shall be:

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

**(ii) Benchmark Replacement Conforming Changes**

In connection with the implementation of any Benchmark Replacement, the Issuer or its Designee will have the right to make Benchmark Replacement Conforming Changes from time to time.

At the request of the Issuer, but subject to receipt by the Principal Paying Agent of the certificate referred to in Condition 6.6(f)(iv) below and subject as provided below, the Agents shall (at the expense of the Issuer), without any requirement for the consent or approval of Noteholders or Couponholders and without liability to the Noteholders or any other person, be obliged to concur with the Issuer in effecting any Benchmark Replacement Conforming Changes with effect from the date specified in the notice referred to in Condition 6.6(f)(iv) below.

Notwithstanding any other provision of this Condition 6.6(f)(ii), the Agents shall not be obliged to concur with the Issuer in respect of any Benchmark Replacement Conforming Changes which, in the sole opinion of the relevant Agent, would (i) expose the relevant Agent to any additional liability or (ii) increase the obligations or duties, or decrease the rights or protections, afforded to the relevant Agent in the Agency Agreement and/or these Conditions.

**(iii) Decisions and Determinations**

Any determination, decision or election that may be made by the Issuer or its Designee pursuant to this Condition 6.6(f), including (without limitation) any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event,

circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer's or its Designee's sole discretion (as applicable), and, notwithstanding anything to the contrary in these Conditions or other documentation relating to the Capital Notes, shall become effective without any requirement for the consent or approval of Noteholders, Couponholders or any other party.

In connection with any Benchmark Replacement Conforming Changes in accordance with this Condition 6.6(f), if and for so long as the Capital Notes are admitted to trading and listed on the official list of a stock exchange, the Issuer shall comply with the rules of that stock exchange.

Notwithstanding any other provision of this Condition 6.6(f), no Benchmark Replacement will be adopted, nor will any Benchmark Replacement Conforming Changes be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the treatment of any relevant Series of Capital Notes as Tier 1 Capital.

**(iv) Notice and Certification**

Any Benchmark Replacement Conforming Changes determined under this Condition 6.6(f) shall be notified promptly (in any case, not less than five Business Days prior to the relevant SOFR Interest Determination Date) by the Issuer to the party responsible for determining the Rate of Interest (being the Principal Paying Agent or other such party specified in the applicable Pricing Supplement, as applicable) and, in accordance with Condition 17, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of such Benchmark Replacement Conforming Changes.

No later than notifying the party responsible for determining the Rate of Interest (being the Principal Paying Agent or such other party specified in the applicable Pricing Supplement, as applicable) of the same, the Issuer shall deliver to the Principal Paying Agent a certificate (on which the Principal Paying Agent shall be entitled to rely without further enquiry or liability) signed by an Authorised Officer of the Issuer confirming (i) that a Benchmark Transition Event has occurred, (ii) the Benchmark Replacement, and (iii) the specific terms of any Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 6.6(f).

If, following the occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date, any Benchmark Replacement is notified to the Principal Paying Agent or any other party specified in the applicable Pricing Supplement as being responsible for determining the Rate of Interest pursuant to this Condition 6.6(f)(iv), and the Principal Paying Agent or such other responsible party (as applicable) is in any way uncertain as to the application of such Benchmark Replacement in the calculation or determination of any Rate of Interest, it shall promptly notify the Issuer thereof and the Issuer or its Designee shall direct the Principal Paying Agent or such other party (as applicable) in writing as to which course of action to adopt in the application of such Benchmark Replacement in the determination of such Rate of Interest. If the Principal Paying Agent or such other party specified in the applicable Pricing Supplement as being responsible for determining the Rate of Interest is not promptly provided with such direction, it shall notify the Issuer thereof, and the Principal Paying Agent or such other party (as applicable) shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so. For the avoidance of doubt, for the period that the Principal Paying Agent or such other party (as applicable) remains uncertain of the application of the Benchmark Replacement in the calculation or determination of any Rate of Interest, the original Benchmark and any other applicable fallback provisions provided for in this Condition 6.6(f)(iv) and/or the applicable Final Terms, as the case may be, will continue to apply.

**(v) Definitions**

In this Condition 6.6(f):

**"Benchmark"** means, initially, SOFR or SOFR Index (provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect

to SOFR or SOFR Index (or the published daily SOFR or SOFR Index used in the calculation thereof) or any Benchmark which has replaced it in accordance with this Condition 6.6(f), then the term "Benchmark" means the applicable Benchmark Replacement);

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

- (A) the sum of: (1) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the Corresponding Tenor and (2) the Benchmark Replacement Adjustment;
- (B) the sum of: (1) the ISDA Fallback Rate and (2) the Benchmark Replacement Adjustment; or
- (C) the sum of: (1) the alternate rate of interest that has been selected by the Issuer or its Designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for the U.S. dollar denominated floating rate notes at such time and (2) the Benchmark Replacement Adjustment;

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

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

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

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

- (A) in the case of paragraph (A) or (B) of the definition of "Benchmark Transition Event", the later of (1) the date of the public statement or publication of information referenced therein and (2) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (B) in the case of paragraph (C) of the definition of "Benchmark Transition Event", the date of the public statement or publication of information referenced therein.

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

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

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

**“Corresponding Tenor”** means, with respect to any Benchmark Replacement under Condition 6.6(f), a tenor (including overnight) having approximately the same length (disregarding Business Day adjustment) as the applicable tenor for the then-current Benchmark;

**“Designee”** means an affiliate or any other agent of the Issuer;

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

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

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

**“Reference Time”** with respect to any determination of the Benchmark means (A) if the Benchmark is SOFR or SOFR Index, 3:00 p.m. (New York City time) or such other time as is reasonably agreed between the Issuer or its Designee and the Principal Paying Agent, and (B) if the Benchmark is not SOFR or SOFR Index, the time determined by the Issuer or its Designee in accordance with the Benchmark Replacement Conforming Changes;

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

“**SOFR**” with respect to any day means the Secured Overnight Financing Rate published for such day by the SOFR Administrator on the SOFR Administrator’s Website;

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

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

“**SOFR Index**” with respect to any day means the Secured Overnight Financing Rate published for such day by the SOFR Index Administrator on the SOFR Index Administrator’s Website;

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

“**SOFR Index Administrator’s Website**” means the website of the Federal Reserve Bank of New York, or any successor source; and

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

## 6.7 ISDA Determination

Where “ISDA Determination” is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period shall be determined by the Principal Paying Agent or the Australian Calculation Agent (as applicable) as a rate equal to the relevant ISDA Rate plus or minus (as appropriate) the Margin (if any).

For the purposes of this Condition 6.7, “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (b) the Designated Maturity is a period specified in the applicable Pricing Supplement; and
- (c) the relevant Reset Date is the first day of that Interest Period unless otherwise specified in the applicable Pricing Supplement.

For the purposes of this Condition 6.7, “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

## 6.8 BBSW Determination or AONIA Rate Determination

- (a) Where “BBSW Determination” or “AONIA Rate Determination” is specified in the relevant Pricing Supplement as the manner in which the Rate of Interest is to be determined for each Interest Period, the Rate of Interest applicable to the Floating Rate Notes for each such Interest Period is the sum of the Margin and either (x) the BBSW Rate or (y) the AONIA Rate as specified in the relevant Pricing Supplement.
- (b) Each Noteholder shall be deemed to acknowledge, accept and agree to be bound by, and consents to, the determination of, substitution for and any adjustments made to the BBSW Rate or the AONIA Rate, as applicable, in each case as described in this Condition 6.8 and in Condition 6.13 below (in all cases without the need for any Noteholder consent). Any determination, decision or election (including a decision to take or refrain from taking any action or as to the occurrence or non-occurrence of any event or circumstance), and any substitution for and adjustments made to, the BBSW Rate or the AONIA Rate, as applicable, and in each case made in accordance with this Condition 6.8 and Condition 6.13, will, in the absence of manifest or proven error, be conclusive and binding on the Issuer, the Noteholder and each Agent and, notwithstanding anything to the contrary in

these Conditions or other documentation relating to the Capital Notes, shall become effective without the consent of any person.

- (c) If the Principal Paying Agent or the Australian Calculation Agent (as applicable) is unwilling or unable to determine a necessary rate, adjustment, quantum, formula, methodology or other variable in order to calculate the applicable Rate of Interest, such rate, adjustment, quantum, formula, methodology or other variable will be determined by the Issuer (acting in good faith and in a commercially reasonable manner) or, an alternate financial institution (acting in good faith and in a commercially reasonable manner) appointed by the Issuer (in its sole discretion) to so determine.
- (d) All rates determined pursuant to this Condition 6.8 and Condition 6.13 shall be expressed as a percentage rate per annum and the resulting percentage will be rounded if necessary to the fourth decimal place (i.e., to the nearest one ten-thousandth of a percentage point) with 0.00005 being rounded upwards.

## 6.9 Linear Interpolation

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Principal Paying Agent or the Australian Calculation Agent (as applicable) by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Pricing Supplement), the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Pricing Supplement) or the relevant BBSW Rate (where BBSW Determination is specified as applicable in the applicable Pricing Supplement), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Principal Paying Agent or the Australian Calculation Agent (as applicable) shall determine such rate at such time and by reference to such sources as it determines appropriate.

For the purposes of this Condition 6.9, “**Designated Maturity**” means, in relation to Screen Rate Determination, the Specified Duration and means, in relation to BBSW Determination, the Specified Maturity.

## 6.10 Determination of Rate of Interest and calculation of Interest Amounts on Floating Rate Notes

Unless otherwise specified in the applicable Pricing Supplement, the Principal Paying Agent or the Australian Calculation Agent (as applicable) will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent, the Australian Calculation Agent, or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement (as applicable) will calculate the amount of interest (the “**Interest Amount**”) scheduled to be paid on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (a) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Capital Notes represented by such Global Note;
- (b) in the case of Floating Rate Notes which are Australian Domestic Notes, the outstanding nominal amount of the Capital Note; or
- (c) otherwise, the Calculation Amount,

and in each case multiplying such amount by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Floating Rate Note which is in definitive form is a multiple of the Calculation Amount, the Interest Amount scheduled to be paid in respect of such Capital Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination (or where such Capital Note has been Converted or Written-Off in part, the Face Value of that Capital Note), without any further rounding.

#### **6.11 Notification of Rate of Interest and Interest Amounts on Floating Rate Notes**

- (a) Except where the Reference Rate is specified in the applicable Pricing Supplement as being “Compounded Daily SONIA”, “Compounded Daily SOFR”, “Compounded SOFR Index Rate” or “Average SOFR”, the Principal Paying Agent or the Australian Calculation Agent (as applicable) will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange and/or quotation system on which the relevant Floating Rate Notes are for the time being admitted to listing, trading and/or quotation (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 17 as soon as possible after their determination but in any event no later than the fourth Business Day thereafter. Each Rate of Interest, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange and/or quotation system on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 17.
- (b) Where the Reference Rate is specified in the applicable Pricing Supplement as being “Compounded Daily SONIA”, “Compounded Daily SOFR”, “Compounded SOFR Index Rate” or “Average SOFR”, the Principal Paying Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) will cause the Rate of Interest and each Interest Amount for each Interest Accrual Period or Interest Period (as applicable) and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange and/or quotation system on which the relevant Floating Rate Notes are for the time being admitted to listing, trading and/or quotation and notice thereof to be published in accordance with Condition 17 as soon as possible after their determination but in any event no later than, in the case of Compounded Daily SONIA, the second London Banking Day (as defined in Condition 6.6(b)) and, in the case of Compounded Daily SOFR, Compounded SOFR Index Rate and Average SOFR, the second U.S. Government Securities Business Day (as defined in Condition 6.6(c)) thereafter. Each Rate of Interest, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the relevant Interest Accrual Period or Interest Period (as applicable). Any such amendment or alternative arrangements will be promptly notified to each stock exchange and/or quotation system on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 17.

#### **6.12 Benchmark Discontinuation**

Notwithstanding the provisions in Conditions 6.6 and 6.8 above, except when the Reference Rate is specified in the applicable Pricing Supplement as being “Compounded Daily SOFR”, “Compounded SOFR Index Rate”, “Average SOFR”, “AONIA” or “BBSW Rate”, if the Issuer determines that a Reference Rate used in a Relevant Rate has been or will be affected by a Reference Rate Disruption Event (as applicable), then the following provisions shall apply.

- (a) Subject to APRA’s prior written approval, the Issuer:
- (i) shall determine the Reference Rate Successor Rate;
  - (ii) may, if it determines it to be appropriate, also determine an adjustment factor or an adjustment methodology to make such Reference Rate Successor Rate comparable to the relevant Reference Rate; and

- (iii) may, if it determines it to be appropriate, also determine successors to one or more of the Business Day Convention, Business Day, Day Count Fraction, Relevant Financial Centre, Relevant Time, Relevant Screen Page, Interest Determination Date or other relevant input for calculating such Reference Rate Successor Rate,

and such successor rate together, if applicable, with such other adjustments and successor inputs shall, from the date determined by the Issuer to be appropriate, be used to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 6.12).

***Noteholders should note that APRA's approval may not be given for any Reference Rate Successor Rate it considers to have the effect of increasing the Rate of Interest contrary to applicable prudential standards.***

- (b) If, in respect of any Interest Determination Date, the Issuer is unable to determine a Reference Rate Successor Rate in accordance with paragraph (a) above, the relevant Reference Rate in respect of:
- (i) that Interest Determination Date shall be the Reference Rate determined as at the last preceding Interest Determination Date; and
  - (ii) any subsequent Interest Determination Date shall be determined in accordance with paragraph (a) above and, if necessary, this paragraph (b).
- (c) In making its determinations in accordance with this Condition 6.12, the Issuer:
- (i) shall act in good faith and in a commercially reasonable manner; and
  - (ii) may appoint an independent financial institution or other independent adviser at its own expense or consult with such other sources of market practice as it considers appropriate,
- but otherwise may make such determinations in its discretion.
- (d) The Issuer shall promptly notify the Registrar or the Australian Registrar (as applicable), the party responsible for determining the Rate of Interest and, in accordance with Condition 17, the Noteholders, of the Reference Rate Successor Rate and other adjustments and successor inputs determined in accordance with this Condition 6.12.
- (e) For the purposes of this Condition 6.12:

**“Reference Rate Disruption Event”** means that the relevant Reference Rate:

- (i) is discontinued or otherwise ceases to be calculated, administered or published; or
- (ii) ceases to be in customary market usage in the relevant market as a reference rate appropriate to relevant floating rate debt securities of a tenor and interest period comparable to that of the Notes; and

**“Reference Rate Successor Rate”** means the rate identified by the Issuer to be the successor to or replacement of the Reference Rate subject to the Reference Rate Disruption Event or the rate that is otherwise in customary market usage in the relevant market for the purposes of determining rates of interest (or the relevant component part thereof) for relevant floating rate debt securities of a tenor and interest period most comparable to that of the Notes.

### **6.13 Benchmark Rate fallback**

If in respect of an Applicable Benchmark Rate:

- (a) a Temporary Disruption Trigger has occurred; or

- (b) a Permanent Discontinuation Trigger has occurred,

then (subject, in the case of a Permanent Discontinuation Trigger only, to APRA's prior written approval) the Benchmark Rate for an Interest Period, whilst such Temporary Disruption Trigger is continuing or after a Permanent Discontinuation Trigger has occurred, means (in the following order of application and precedence):

- (i) where BBSW Rate is the Applicable Benchmark Rate, if a Temporary Disruption Trigger has occurred with respect to the BBSW Rate, in the following order of precedence:
- (A) first, the Administrator Recommended Rate;
  - (B) then the Supervisor Recommended Rate; and
  - (C) lastly, the Final Fallback Rate;
- (ii) where AONIA is the Applicable Benchmark Rate or a determination of the AONIA Rate is required for the purposes of paragraph (i) above, if a Temporary Disruption Trigger has occurred with respect to AONIA, the rate for any day for which AONIA is required will be the last provided or published level of AONIA;
- (iii) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (i) or (ii) above, if a Temporary Disruption Trigger has occurred with respect to the RBA Recommended Rate, the rate for any day for which the RBA Recommended Rate is required will be the last rate provided or published by the Administrator of the RBA Recommended Rate (or if no such rate has been so provided or published, the last provided or published level of AONIA);
- (iv) where BBSW Rate is the Applicable Benchmark Rate, if a Permanent Discontinuation Trigger has occurred with respect to the BBSW Rate, the rate for any day for which the BBSW Rate is required on or after the Permanent Fallback Effective Date will be the first rate available in the following order of precedence:
- (A) first, if at the time of the BBSW Rate Permanent Fallback Effective Date, no AONIA Permanent Fallback Effective Date has occurred, the AONIA Rate;
  - (B) then, if at the time of the BBSW Rate Permanent Fallback Effective Date, an AONIA Permanent Fallback Effective Date has occurred, an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Fallback Rate; and
  - (C) lastly, if neither paragraph (A) nor paragraph (B) above apply, the Final Fallback Rate;
- (v) where AONIA is the Applicable Benchmark Rate or a determination of the AONIA Rate is required for the purposes of paragraph (iv)(A) above, if a Permanent Discontinuation Trigger has occurred with respect to AONIA, the rate for any day for which AONIA is required on or after the AONIA Permanent Fallback Effective Date will be the first rate available in the following order of precedence:
- (A) first, if at the time of the AONIA Permanent Fallback Effective Date, an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Rate; and
  - (B) lastly, if paragraph (A) above does not apply, the Final Fallback Rate; and
- (vi) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (iv) or (v) above, respectively, if a Permanent Discontinuation Trigger has occurred with respect to the RBA Recommended Rate, the rate for any day for

which the RBA Recommended Rate is required on or after that Permanent Fallback Effective Date will be the Final Fallback Rate.

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

***Noteholders should note that APRA's approval may not be given for any Fallback Rate it considers to have the effect of increasing the Rate of Interest contrary to applicable prudential standards.***

#### **6.14 Benchmark Rate fallback definitions**

In Conditions 6.8 and 6.13:

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

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

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

**“Administrator”** means:

- (a) in respect of the BBSW Rate, ASX Benchmarks Pty Limited (ABN 38 616 075 417);
- (b) in respect of AONIA, the Reserve Bank of Australia; and
- (c) in respect of any other Applicable Benchmark Rate, the administrator for that rate or benchmark or, if there is no administrator, the provider of that rate or benchmark,

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

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

**“AONIA”** means the Australian dollar interbank overnight cash rate (known as AONIA).

**“AONIA Observation Period”** means the period from (and including) the date falling five Business Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on (but excluding) the date falling five Business Days prior to the end of such Interest Period (or the date falling five Business Days prior to such earlier date, if any, on which the Capital Notes become due and payable).

**“AONIA Rate”** means, for an Interest Period and in respect of an Interest Determination Date, the rate determined by the Principal Paying Agent or the Australian Calculation Agent (as applicable) to be Compounded Daily AONIA for that Interest Period and Interest Determination Date plus the Adjustment Spread (if any).

**“Applicable Benchmark Rate”** means the Benchmark Rate specified in the relevant Pricing Supplement and, if a Permanent Fallback Effective Date has occurred with respect to the BBSW Rate, AONIA or the RBA Recommended Rate, then the rate determined in accordance with Condition 6.13.

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

**“Benchmark Rate”** means, in respect of a Capital Note, for an Interest Period, either the BBSW Rate or the AONIA Rate as specified in the relevant Pricing Supplement.

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

**“Compounded Daily AONIA”** means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the AONIA Observation Period corresponding to such Interest Period (with AONIA as the reference rate for the calculation of interest) as calculated by the Principal Paying Agent or the Australian Calculation Agent (as applicable) on the fifth Business Day prior to the last day of each Interest Period, as follows:

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

where:

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

$d$  is the number of calendar days in the relevant Interest Period;

$d_0$  is the number of Business Days in the relevant Interest Period;

$i$  is a series of whole numbers from 1 to  $d_0$ , each representing the relevant Business Day in chronological order from (and including) the first Business Day in the relevant Interest Period to (and including) the last Business Day in such Interest Period;

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

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

If, for any reason, Compounded Daily AONIA needs to be determined for a period other than an Interest Period, Compounded Daily AONIA is to be determined as if that period were an Interest

Period starting on (and including) the first day of that period and ending on (but excluding) the last day of that period.

**“Designee”** means an affiliate or any other agent of the Issuer;

**“Fallback Rate”** means, where a Permanent Discontinuation Trigger for an Applicable Benchmark Rate has occurred, the rate that applies to replace that Applicable Benchmark Rate in accordance with Condition 6.13.

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

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

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

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

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

- (a) a public statement or publication of information by or on behalf of the Administrator of the Applicable Benchmark Rate announcing that it has ceased or that it will cease to provide the Applicable Benchmark Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the Applicable Benchmark Rate and, in the case of the BBSW Rate, a public statement or publication of information by or on behalf of the Supervisor of the BBSW Rate has confirmed that cessation;
- (b) a public statement or publication of information by the Supervisor of the Applicable Benchmark Rate, the Reserve Bank of Australia (or any successor central bank for Australian dollars), an insolvency official or resolution authority with jurisdiction over the Administrator of the Applicable Benchmark Rate or a court or an entity with similar insolvency or resolution authority over the Administrator of the Applicable Benchmark Rate

which states that the Administrator of the Applicable Benchmark Rate has ceased or will cease to provide the Applicable Benchmark Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the Applicable Benchmark Rate and, in the case of the BBSW Rate and a public statement or publication of information other than by the Supervisor, a public statement or publication of information by or on behalf of the Supervisor of the BBSW Rate has confirmed that cessation;

- (c) a public statement by the Supervisor of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate, as a consequence of which the Applicable Benchmark Rate will be prohibited from being used either generally, or in respect of the Capital Notes, or that its use will be subject to restrictions or adverse consequences to the Issuer or a Noteholder;
- (d) as a consequence of a change in law or directive arising after the Issue Date of the first Tranche of Capital Notes of a Series, it has become unlawful for the Principal Paying Agent or the Australian Calculation Agent (as applicable), the Issuer or any other party responsible for calculations of interest under the Conditions to calculate any payments due to be made to any Noteholder using the Applicable Benchmark Rate;
- (e) a public statement or publication of information by the Supervisor of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is AONIA or the RBA Recommended Rate, stating that the Applicable Benchmark Rate is Non-Representative; or
- (f) the Applicable Benchmark Rate has otherwise ceased to exist or be administered on a permanent or indefinite basis.

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

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

**“Publication Time”** means:

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

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

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

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

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

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

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

---

## 7 Conversion or Write-Off on Non-Viability Trigger Event and Conversion in other circumstances

### 7.1 Non-Viability Trigger Event

- (a) A **“Non-Viability Trigger Event”** occurs when APRA provides a written determination to the Issuer that:
  - (i) the conversion or write-off of Relevant Tier 1 Capital Instruments is necessary because, without the conversion or write-off, APRA considers that the Issuer would become non-viable; or
  - (ii) without a public sector injection of capital into, or equivalent support with respect to, the Issuer, APRA considers that the Issuer would become non-viable.

A written determination by APRA under this Condition 7.1(a) is a **“Non-Viability Determination”**.

- (b) If a Non-Viability Trigger Event occurs, the Issuer must convert or write-off:
  - (i) all Relevant Tier 1 Capital Instruments; or
  - (ii) where Condition 7.1(a)(i) applies, an amount of the Relevant Tier 1 Capital Instruments that is less than all Relevant Tier 1 Capital Instruments if APRA is satisfied that conversion or write-off of that amount will be sufficient to ensure that the Issuer does not become non-viable.

A Non-Viability Determination takes effect, and the Issuer must perform the obligations set out in these Conditions in respect of the determination, immediately on the day it is received by the Issuer, whether or not such day is a Business Day.

## 7.2 Non-Viability Trigger Event Notice

- (a) If a Non-Viability Trigger Event occurs:
- (i) on the date that event occurs (the “**Non-Viability Conversion Date**”), the Issuer must immediately determine in accordance with the Non-Viability Determination:
    - (A) the aggregate Face Value of Capital Notes that will Convert or be Written-Off (such amount being the “**Required Amount**”) and the aggregate nominal amount of other Relevant Tier 1 Capital Instruments which will convert or be written-off; and
    - (B) the identity of the Noteholders at the time that the Conversion or Write-Off is to take effect on that date (and in making that determination the Issuer may make any decisions with respect to the identity of the Noteholders at that time as may be necessary or desirable to ensure Conversion or Write-Off occurs in an orderly manner, including disregarding any transfers of Capital Notes that have not been settled or registered at that time);
  - (ii) subject only to Condition 7.3 and despite any other provision in these Conditions, on the Non-Viability Conversion Date the Required Amount of Capital Notes will Convert or be Written-Off, and the relevant aggregate nominal amount of other Relevant Tier 1 Capital Instruments will convert or be written-off, in each case immediately and irrevocably; and
  - (iii) the Issuer must give notice of the occurrence of a Non-Viability Trigger Event (a “**Non-Viability Trigger Event Notice**”) to Noteholders and the Agents as soon as practicable after the relevant Conversion or Write-Off occurs which states the Non-Viability Conversion Date, the Required Amount of Capital Notes Converted or Written-Off and the relevant amount of other Relevant Tier 1 Capital Instruments converted or written-off, the Nominal Amount of the relevant Noteholder’s Capital Notes Converted or Written-Off together with relevant particulars of any related calculations or determinations as they relate to that Noteholder made by the Issuer.
- (b) If, in accordance with Condition 7.1(b)(ii), the Issuer is required to convert or write-off only an amount of Relevant Tier 1 Capital Instruments that is less than all Relevant Tier 1 Capital Instruments, in determining the Required Amount of Capital Notes which must be Converted or Written-Off in accordance with this Condition 7, the Issuer may, in its discretion, Convert or Write-Off (in the case of Capital Notes) or convert into Ordinary Shares or write-off (in the case of any other securities issued as Relevant Tier 1 Capital Instruments) Capital Notes (or part thereof) and any other securities issued as Relevant Tier 1 Capital Instruments on a proportionate basis (unless the terms of any such other security provide for that security to be converted or written-off other than on a proportionate basis with the Capital Notes and other such securities), or such other basis as the Issuer considers fair and reasonable (subject to such adjustment as the Issuer may determine to take into account logistical considerations and the effect on marketable parcels and whole numbers of Ordinary Shares and any Capital Notes or other securities issued as Relevant Tier 1 Capital Instruments remaining on issue), provided always that nothing in the making of the determination or the adjustments is to delay or impede the immediate Conversion or Write-Off of the Capital Notes on the Non-Viability Conversion Date.
- (c) For the purposes of Condition 7.2(b), where the Specified Currency of the principal amount of Relevant Tier 1 Capital Instruments is not the same for all Relevant Tier 1 Capital Instruments, the Issuer may treat them as if converted into a single currency of the Issuer’s choice at such rate of exchange determined in accordance with the terms of such Relevant Tier 1 Capital Instruments or as specified in the applicable Pricing Supplement or, if those terms do not specify a basis for determining such rates of exchange, at such rate of exchange as the Issuer in good faith considers reasonable.
- (d) None of the following shall prevent, impede or delay the Conversion or Write-Off of Capital Notes as required by this Condition 7.2:

- (i) any failure of, or delay in, the conversion or write-off of any other Relevant Tier 1 Capital Instruments;
  - (ii) any failure or delay in giving a Non-Viability Trigger Event Notice;
  - (iii) any failure or delay in quotation of the Ordinary Shares to be issued on Conversion;
  - (iv) any decision as to the identity of Noteholders whose Notes are to be Converted in accordance with Condition 7.2(a)(i)(B); or
  - (v) any requirement to select or adjust the amount of Capital Notes to be Converted in accordance with Condition 7.2(b).
- (e) From (and including) the Non-Viability Conversion Date, subject to Condition 7.3 and Condition 19.2(c), the Issuer shall treat the Noteholder in respect of the Capital Notes as the holder of the Conversion Number of Ordinary Shares and will take all such steps, including updating any register relating to the Ordinary Shares, required to record the Conversion.

### 7.3 Specification of Conversion or Write-Off

- (a) The applicable Pricing Supplement shall specify whether Conversion or Write-Off is applicable to the Capital Notes upon the occurrence of a Non-Viability Trigger Event.
- (b) Where:
  - (i) the applicable Pricing Supplement specifies Conversion as applicable and, for any reason (including, without limitation, an Inability Event), a Conversion in respect of a Capital Note required by these Conditions has not been effected within five Scheduled Trading Days after the Non-Viability Conversion Date; or
  - (ii) the applicable Pricing Supplement specifies Write-Off as applicable,

the rights of the relevant Noteholder (including without limitation in respect of a redemption (whether or not a notice of that redemption has been given) and to the payment of interest and the Redemption Amount) in relation to the Nominal Amount of that Capital Note required to be Converted or Written-Off (as applicable) are immediately and irrevocably written-off and terminated ("**Written-Off**") with effect on and from the Non-Viability Conversion Date.

### 7.4 Partial Conversion or Write-Off

To the extent that a Capital Note has been Converted or Written-Off in part only:

- (a) the Face Value (including without limitation for the purposes of calculating interest), the Redemption Amount, the amount of any interest applicable to that Capital Note and any related amount shall be reduced in the same proportion as the Face Value Converted or Written-Off in respect of that Capital Note bore to the Face Value of that Capital Note before such Conversion or Write-Off and these Conditions (including without limitation this Condition 7) shall continue to apply in respect of the Capital Note as so reduced;
- (b) where the Non-Viability Conversion Date is not an Interest Payment Date, the amount of interest scheduled to be paid in respect of that Capital Note on each Interest Payment Date falling after that Conversion Date will be reduced and calculated on the Face Value of that Capital Note as so reduced on the date of the Conversion or Write-Off;
- (c) other than in respect of an Australian Domestic Note, the Noteholder must immediately:
  - (i) in the case of Bearer Notes, present and surrender each such Capital Note together with, in the case of Definitive Bearer Notes, all unmatured Coupons and all unexchanged Talons attached to it, to the Specified Office of the Principal Paying Agent; and

- (ii) in the case of Registered Notes (other than Australian Domestic Notes), present and surrender such Capital Note to the Specified Office of the Registrar,

and, at the option of the Issuer, that Capital Note (and, as applicable, those Coupons and Talons) shall either:

- (iii) be endorsed to reflect the Conversion or Write-Off; or
- (iv) be surrendered, in which case the Principal Paying Agent or the Registrar (as the case may be) shall authenticate and deliver (or procure the delivery of) a new Capital Note (and, as applicable, Coupons and Talons) to the Noteholder representing the Capital Notes (and, as applicable, the Coupons and Talons) held by the Noteholder following the Conversion or Write-Off, and in any such case, delivery of the new Capital Note will be to the Specified Office of the Principal Paying Agent or the Registrar (as the case may be) or by uninsured mail (at the risk of the Noteholder) to such address as the Noteholder may request; and
- (d) in respect of a Registered Note (including an Australian Domestic Note) only, the Issuer shall notify the Registrar or the Australian Registrar (as the case may be) of the nominal amount of such Capital Note that has been Converted or Written-Off and instruct the Registrar or Australian Registrar (as the case may be) to reflect such Conversion or Write-Off in the Register or Australian Register (as applicable) so that the nominal amount of such Capital Note is reduced by such amount as has been Converted or Written-Off.

Any failure or delay in performing the obligations in this Condition 7.4 shall not prevent, impede or delay the Conversion or Write-Off of the Capital Notes required by Condition 7.2.

To the extent that some but not all Capital Notes are Converted or Written-Off in full, any Capital Notes not Converted or Written-Off in full shall remain outstanding and these Conditions shall remain in full force and effect as regards such Capital Notes.

## **7.5 Surrender and cancellation of Capital Notes**

If a Capital Note is Converted or Written-Off in full:

- (a) other than in respect of an Australian Domestic Note, the Noteholder must immediately present and surrender that Capital Note (together, in the case of a Capital Note that is a Definitive Bearer Note, with such unmaturing Coupons and unexchanged Talons as are attached to it) at the Specified Office of:
- (i) in the case of Bearer Notes, the Principal Paying Agent;
- (ii) in the case of a Registered Note (other than an Australian Domestic Note), to the Registrar; and
- (b) the Principal Paying Agent, Registrar or Australian Registrar (as the case may be) shall cancel or arrange for the cancellation of the Capital Note, but any failure or delay in so presenting or surrendering any Capital Note (in the case of Capital Notes other than Australian Domestic Notes) or its cancellation (in any case) shall not prevent, impede or delay the Conversion or Write-Off of the Capital Notes required by Condition 7.2.

## **7.6 No conversion at the option of Noteholders**

A Noteholder cannot require the Issuer to convert all or some of the Capital Notes held by that Noteholder into Ordinary Shares.

## **7.7 Direction to Agents**

The Issuer authorises and directs the Agents to take any and all action contemplated by these Conditions, the Deed of Covenant, the Euro Agency Agreement, the Australian Note Deed Poll and the Australian Agency and Registry Agreement (as applicable) which is necessary or convenient to

give effect to any Conversion and/or any Write-Off upon the occurrence of a Non-Viability Trigger Event and each Noteholder irrevocably consents to any and all such action.

## 7.8 Scheduled Mandatory Conversion

If the Pricing Supplement specifies that this Condition 7.8 applies, on the Mandatory Conversion Date, the Issuer must Convert all (but not some) Capital Notes in accordance with Condition 8.

The “**Mandatory Conversion Date**” is the first to occur of the following dates:

- (a) the Scheduled Mandatory Conversion Date; and
- (b) any Interest Payment Date after the Scheduled Mandatory Conversion Date (a “**Deferred Mandatory Conversion Date**”),

(each, a “**Relevant Mandatory Conversion Date**”) on which the Conversion Conditions relevant to those dates are satisfied, unless the Capital Notes have been or will be Redeemed or Converted before that date.

## 7.9 Conversion Conditions

The Conversion Conditions in respect of a Relevant Mandatory Conversion Date are:

- (a) the VWAP of Ordinary Shares on the 25<sup>th</sup> Business Day immediately preceding (but not including) the Relevant Mandatory Conversion Date (or, if that day is not a Trading Day, the last Trading Day prior to that day) is greater than 25% of the Issue Date VWAP (the “**First Conversion Condition**”);
- (b) the VWAP of Ordinary Shares during the period of 20 Trading Days immediately preceding (but not including) the Relevant Mandatory Conversion Date is such that the number of Ordinary Shares to be issued (calculated in accordance with Condition 8.1 as if it were not limited by the Maximum Conversion Number applicable to the Relevant Mandatory Conversion Date) would be less than or equal to the Maximum Conversion Number applicable to the Relevant Mandatory Conversion Date (the “**Second Conversion Condition**”); and
- (c) no Delisting Event applies as at the Relevant Mandatory Conversion Date (the “**Third Conversion Condition**”),

together, the “**Conversion Conditions**”.

## 7.10 Mandatory Conversion notices

- (a) Between the 25<sup>th</sup> and the 21<sup>st</sup> Business Day (inclusive) before a Relevant Mandatory Conversion Date, the Issuer will notify Noteholders whether or not the First Conversion Condition is satisfied in relation to that Relevant Mandatory Conversion Date, and if it is not, the Conversion will not occur on that date.
- (b) If the First Conversion Condition is satisfied in relation to a Relevant Mandatory Conversion Date and any of the other Conversion Conditions are not satisfied in relation to the Relevant Mandatory Conversion Date, the Conversion will not occur and the Issuer will notify Noteholders on or as soon as practicable after the Relevant Mandatory Conversion Date that Conversion did not occur.
- (c) Failure to give a notice when required under this Condition 7.10 does not affect the obligations of the Issuer to Convert the Capital Notes when required in accordance with the Conditions.

### 7.11 Acquisition Event Conversion

If the Pricing Supplement specifies that this Condition 7.11 applies, if an Acquisition Event occurs, the Issuer must Convert all but not some of the Capital Notes in accordance with Condition 8, unless the Directors determine that:

- (a) as at the Acquisition Conversion Date, a Delisting Event will, or is likely to, apply (except where, despite the Issuer being delisted, the Conversion would be in the best interests of Noteholders as a whole); or
- (b) the Conversion Number of Ordinary Shares to be issued on Conversion (calculated in accordance with Condition 8.1 as if it were not limited by the Maximum Conversion Number applicable to an Acquisition Conversion Date) would exceed the Maximum Conversion Number applicable to an Acquisition Conversion Date (except where, despite the Conversion Number being limited to the Maximum Conversion Number applicable to an Acquisition Conversion Date, the Directors determine that the Conversion would be in the best interests of Noteholders as a whole).

Conversion on account of an Acquisition Event is not subject to any Conversion Conditions or other conditions except as expressly provided in this Condition 7.11.

### 7.12 Acquisition Conversion Notice

No later than 5:00pm (Sydney time) on the 10<sup>th</sup> Business Day after the occurrence of the Acquisition Event, the Issuer must give Noteholders a notice (an “**Acquisition Conversion Notice**”) which states:

- (a) details of the Acquisition Event to which the notice relates; and
- (b) if Conversion is to occur:
  - (i) the date on which the Conversion is to occur (an “**Acquisition Conversion Date**”), which is to be:
    - (A) no later than the 2<sup>nd</sup> Business Day prior to the date reasonably determined by the Issuer to be the last date on which holders of Ordinary Shares can participate in the bid, scheme or arrangement concerned;
    - (B) such other earlier date as the Issuer may reasonably determine having regard to the best interests of Noteholders as a whole and the timing of the Acquisition Event concerned (provided that the Acquisition Conversion Date must be at least 25 Business Days after the date of the Acquisition Conversion Notice); or
    - (C) such other date as APRA may require; and
  - (i) whether any interest will be paid in respect of the Capital Notes on the Acquisition Conversion Date; or
- (c) otherwise, the reason why a Conversion is not to occur.

### 7.13 Optional Conversion

If the Pricing Supplement specifies that this Condition 7.13 applies, the Issuer may, in its sole discretion, elect to Convert all or some of the Capital Notes on any Scheduled Optional Conversion Date by notice (an “**Optional Conversion Notice**”) to Noteholders.

The Optional Conversion Notice must specify the date on which Conversion is to occur (“**Optional Conversion Date**”), which is the relevant Scheduled Optional Conversion Date falling no earlier than 25 Business Days after the date of the Optional Conversion Notice.

### 7.14 Optional Conversion Restriction

The Issuer may not elect to Convert Capital Notes under Condition 7.13 if:

- (a) on the 2<sup>nd</sup> Business Day before the date on which an Optional Conversion Notice is to be sent by the Issuer (the “**Non-Conversion Test Date**”) the VWAP on that date is less than or equal to 25% of the Issue Date VWAP (the “**First Optional Conversion Restriction**”); or
- (b) a Delisting Event applies as at the Non-Conversion Test Date (the “**Second Optional Conversion Restriction**”) and together with the First Optional Conversion Restriction, the “**Optional Conversion Restrictions**”).

### 7.15 Conditions to Conversion occurring once elected

If the Issuer has given an Optional Conversion Notice but, as if the Conversion Date were a Relevant Mandatory Conversion Date for the purposes of Condition 7.8, any one or more of the Second Conversion Condition (tested on the basis of the Maximum Conversion Number applicable to an Optional Conversion Date) or the Third Conversion Condition would not be satisfied in respect of that date, then, notwithstanding any other provision of these Conditions:

- (a) the Optional Conversion Date will be deferred until the first Interest Payment Date on which:
- (i) the VWAP on the 25th Business Day immediately preceding (but not including) that Interest Payment Date is greater than 25% of the Issue Date VWAP; and
  - (ii) each of the Second Conversion Condition (tested on the basis of the Maximum Conversion Number applicable to an Optional Conversion Date) and the Third Conversion Condition would be satisfied if that Interest Payment Date were a Relevant Mandatory Conversion Date for the purposes of Condition 7.8,
- (the “**Deferred Conversion Date**”);
- (b) the Issuer must Convert the Capital Notes on the Deferred Conversion Date (unless the Capital Notes are Converted or Redeemed earlier in accordance with these Conditions); and
- (c) until the Deferred Conversion Date, all rights attaching to the Capital Notes will continue as if the Optional Conversion Notice had not been given.

The Issuer will notify Noteholders on or as soon as practicable after a Conversion Date in respect of which this Condition 7.15 applies that Conversion did not occur on that Conversion Date (a “**Deferred Conversion Notice**”).

### 7.16 References to Conversion

In Conditions 7.4, 7.5 and 7.7, a reference to the Conversion of a Capital Note (in whole or in part) includes a reference to Conversion on any Conversion Date.

---

## 8 Conversion mechanics

### 8.1 Conversion

On a Conversion Date subject to Conditions 7.3 and 8.12, the following will apply:

- (a) The Issuer will allot and issue the Conversion Number of Ordinary Shares in respect of each Capital Note required to be Converted to the relevant Noteholder or as contemplated in Conditions 8.11 and 8.12. The “**Conversion Number**” for each Capital Note is calculated according to the following formula, and subject always to the Conversion Number being no greater than the Maximum Conversion Number:

$$\text{Conversion Number} = \frac{\text{Nominal Amount}}{99\% \times \text{VWAP}}$$

where:

**“Nominal Amount”** means, in respect of a Capital Note, all or such lesser amount of the Face Value of that Capital Note determined by the Issuer in accordance with Condition 7.2(b) and the other provisions of Condition 7 to be the proportionate allocation of the Required Amount to the Face Value of that Capital Note;

**“Maximum Conversion Number”** means a number calculated according to the following formula:

$$\text{Maximum Conversion Number} = \frac{\text{Nominal Amount}}{\text{Relevant Fraction} \times \text{Issue Date VWAP}}$$

**“Relevant Fraction”** means 0.2.

- (b) Each Noteholder’s rights (including without limitation) in respect of a redemption (whether or not notice of that redemption has been given) and to payment of interest in relation to the Nominal Amount of each of its Capital Notes required to be Converted will be immediately and irrevocably terminated for an amount equal to the Nominal Amount applicable to the relevant Capital Note and the Issuer will apply that Nominal Amount by way of payment for the subscription for the Ordinary Shares required to be allotted and issued under Condition 8.1(a). Each Noteholder is taken to have irrevocably directed that any amount scheduled to be paid under this Condition 8.1 is to be applied as provided for in this Condition 8.1 and no Noteholder has any right to payment in any other way.
- (c) If the total number of Ordinary Shares to be allotted and issued in respect of a Noteholder’s aggregate holding of Capital Notes includes a fraction of an Ordinary Share, that fraction of an Ordinary Share will be disregarded and the relevant Noteholder shall have no rights whatsoever in respect of that fraction.

## 8.2 Adjustments to VWAP generally

For the purposes of calculating VWAP under Condition 8.1:

- (a) where, on some or all of the Trading Days in the relevant VWAP Period, Ordinary Shares have been quoted on ASX as cum dividend or cum any other distribution or entitlement and Capital Notes will be Converted into Ordinary Shares after that date and those Ordinary Shares will no longer carry that dividend or any other distribution or entitlement, the VWAP on the Trading Days on which those Ordinary Shares have been quoted cum dividend or cum any other distribution or entitlement will be reduced by an amount (**“Cum Value”**) equal to:
  - (i) in the case of a dividend or other distribution, the amount of that dividend or other distribution including, if the dividend or other distribution is franked, the amount that would be included in the assessable income of a recipient of the dividend or other distribution who is both a resident of Australia and a natural person under the Tax Act;
  - (ii) in the case of any other entitlement that is not a dividend or other distribution under Condition 8.2(a)(i) which is traded on ASX on any of those Trading Days, the volume weighted average price of all such entitlements sold on ASX during the VWAP Period on the Trading Days on which those entitlements were traded; or
  - (iii) in the case of any other entitlement which is not traded on ASX during the VWAP Period, the value of the entitlement as reasonably determined by the Issuer; and
- (b) where, on some or all of the Trading Days in the VWAP Period, Ordinary Shares have been quoted as ex dividend or ex any other distribution or entitlement, and Capital Notes will be Converted into Ordinary Shares which would be entitled to receive the relevant dividend, distribution or entitlement, the VWAP on the Trading Days on which those Ordinary Shares have been quoted ex dividend or ex any other distribution or entitlement will be increased by the Cum Value.

Any adjustment made by the Issuer in accordance with this Condition 8.2 will be effective and binding on Noteholders and the Agents under these Conditions and will be construed accordingly.

### 8.3 Adjustments to VWAP for Reorganisation

- (a) Where during the relevant VWAP Period there is a change to the number of Ordinary Shares on issue as a result of a Reorganisation, in calculating the VWAP for the VWAP Period, the VWAP for each Trading Day in the relevant VWAP Period which falls before the date on which trading in Ordinary Shares is conducted on a post Reorganisation basis shall be adjusted by multiplying the applicable VWAP by the following formula:

$$\frac{A}{B}$$

where:

“A” means the aggregate number of Ordinary Shares immediately before the Reorganisation; and

“B” means the aggregate number of Ordinary Shares immediately after the Reorganisation.

- (b) Any adjustment made by the Issuer in accordance with this Condition 8.3 will be effective and binding on Noteholders and the Agents under these Conditions and these Conditions will be construed accordingly.

### 8.4 Adjustments to Issue Date VWAP generally

For the purposes of determining the Issue Date VWAP, adjustments will be made in accordance with Conditions 8.2 and 8.3 during the VWAP Period for the Issue Date VWAP. On and from the Issue Date, adjustments to the Issue Date VWAP:

- (a) may be made by the Issuer in accordance with Conditions 8.5 to 8.7 (inclusive); and
- (b) if so made, will correspondingly cause an adjustment to the Maximum Conversion Number.

### 8.5 Adjustments to Issue Date VWAP for bonus issues

- (a) Subject to Condition 8.5(b), if at any time after the Issue Date, the Issuer makes a pro rata bonus issue of Ordinary Shares to holders of Ordinary Shares generally, the Issue Date VWAP will be adjusted immediately in accordance with the following formula:

$$V = V_0 \times \frac{RD}{RD + RN}$$

where:

“V” means the Issue Date VWAP applying immediately after the application of this formula;

“V<sub>0</sub>” means the Issue Date VWAP applying immediately prior to the application of this formula;

“RD” means the number of Ordinary Shares on issue immediately prior to the allotment of new Ordinary Shares pursuant to the bonus issue; and

“RN” means the number of Ordinary Shares issued pursuant to the bonus issue.

- (b) For the avoidance of doubt, Condition 8.5(a) does not apply to Ordinary Shares issued as part of a bonus share plan, employee or executive share plan, executive option plan, share top up plan, share purchase plan or a dividend reinvestment plan.
- (c) For the purpose of Condition 8.5(a), an issue will be regarded as a bonus issue notwithstanding that the Issuer does not make offers to some or all holders of Ordinary Shares with registered addresses outside Australia, provided that in so doing the Issuer is not in contravention of the ASX Listing Rules.

- (d) No adjustments to the Issue Date VWAP will be made under this Condition 8.5 for any offer of Ordinary Shares not covered by Condition 8.5(a), including a rights issue or other essentially pro rata issue.
- (e) The fact that no adjustment is made for an issue of Ordinary Shares except as covered by Condition 8.5(a) shall not in any way restrict the Issuer from issuing Ordinary Shares at any time on such terms as it sees fit nor be taken to constitute a modification or variation of rights or privileges of Noteholders or otherwise requiring any consent or concurrence of the Noteholders.
- (f) Any adjustment made by the Issuer in accordance with this Condition 8.5 will be effective and binding on Noteholders under these Conditions and these Conditions will be construed accordingly.

#### **8.6 Adjustments to Issue Date VWAP for Reorganisation**

- (a) If at any time after the Issue Date there is a change to the number of Ordinary Shares on issue because of a Reorganisation, the Issue Date VWAP will be adjusted by multiplying the Issue Date VWAP applicable on the Trading Day immediately before the date of any such Reorganisation by the following formula:

$$\frac{A}{B}$$

where:

“A” means the aggregate number of Ordinary Shares on issue immediately before the Reorganisation; and

“B” means the aggregate number of Ordinary Shares on issue immediately after the Reorganisation.

- (b) Any adjustment made by the Issuer in accordance with this Condition 8.6 will be effective and binding on the Noteholders under these Conditions and these Conditions will be construed accordingly.
- (c) Each Noteholder acknowledges that the Issuer may consolidate, divide or reclassify securities so that there is a lesser or greater number of Ordinary Shares at any time in its absolute discretion without any such action constituting a modification or variation of rights or privileges of Noteholders or otherwise requiring any consent or concurrence of the Noteholders.

#### **8.7 No adjustment to Issue Date VWAP in certain circumstances**

Despite the provisions of Conditions 8.5 and 8.6, no adjustment will be made to the Issue Date VWAP where any such adjustment (rounded if applicable) would be less than one per cent. of the Issue Date VWAP then in effect.

#### **8.8 Announcement of adjustments to Issue Date VWAP**

The Issuer will notify the Noteholders of any adjustment to the Issue Date VWAP under Condition 8 within 10 Business Days of the Issuer determining the adjustment.

#### **8.9 Status of Ordinary Shares**

Ordinary Shares issued upon Conversion will rank equally with all other fully paid Ordinary Shares on issue at the time of such Conversion.

#### **8.10 Listing Ordinary Shares issued on Conversion**

The Issuer must use reasonable endeavours to:

- (a) list the Ordinary Shares issued upon Conversion on ASX; and

- (b) procure that the Ordinary Shares issued upon Conversion are able to be freely traded after their issue date on ASX in compliance with all requirements of the Corporations Act, all other applicable laws and the ASX Listing Rules without requirement for further disclosure or other action by any Noteholder or persons to whom its shares are issued (except in case of applicable law other than Chapter 6D of the Corporations Act, to the extent that a restriction on trading is attributable to the particular circumstances of the Noteholder and is not otherwise within the control of the Issuer).

The Noteholder agrees not to trade Ordinary Shares issued on Conversion (except as permitted by the Corporations Act, other applicable laws and the ASX Listing Rules) until the Issuer has taken such steps as are required by the Corporations Act, other applicable laws and the ASX Listing Rules for the shares to be freely tradeable without such further disclosure or other action and agrees to allow the Issuer to impose a holding lock or refuse to register a transfer in respect of Ordinary Shares until such time. The Issuer will promptly notify Noteholders when this restriction on trading ceases to apply.

### 8.11 Provision of information

Where a Nominal Amount of Capital Notes held by a Noteholder is required to be Converted under Condition 7, a Noteholder wishing to receive Ordinary Shares must, no later than the Conversion Date, have provided to the Issuer (which notice shall be irrevocable):

- (a) its name and address (or the name and address of any person in whose name it directs the Ordinary Shares to be issued) for entry into any register of title and receipt of any certificate or holding statement in respect of any Ordinary Shares;
- (b) the Noteholder's security account details in CHESS or such other account to which the Ordinary Shares may be credited; and
- (c) such other information as is reasonably requested by and satisfactory to the Issuer for the purposes of enabling it to issue the Conversion Number of Ordinary Shares to the Noteholder,

provided that any notice specifying a person other than the Noteholder as the proposed recipient of any Ordinary Shares must be accompanied by the written agreement of that person to become a member of the Issuer.

### 8.12 Issue to nominee

- (a) Unless otherwise specified in the applicable Pricing Supplement, if any Capital Notes are required to be Converted under Condition 7 and:
- (i) a Noteholder has notified the Issuer that it does not wish to receive Ordinary Shares as a result of the Conversion (whether entirely or to the extent specified in the notice), which notice may be given at any time prior to the Conversion Date;
- (ii) the Capital Notes are held by a person which the Issuer believes in good faith may not be a resident of Australia (a "**Foreign Noteholder**");
- (iii) if for any reason (whether or not due to the fault of a Noteholder) the Issuer has not received to its satisfaction any or all information required in accordance with Condition 8.11 so as to impede or delay the Issuer issuing the Ordinary Shares to a Noteholder or to Noteholders generally on the Conversion Date; or
- (iv) a FATCA Withholding is required to be made in respect of the Ordinary Shares issued on the Conversion,

then, on the Conversion Date:

- (v) where subparagraph (i), (ii) or (iv) applies, the Issuer is obliged to issue the Ordinary Shares to that Noteholder only to the extent (if at all) that:

- (A) where subparagraph (i) applies, the Noteholder wishes to receive them;
- (B) where subparagraph (ii) applies, the Issuer is satisfied that the laws of both Australia and the Foreign Noteholder's country of residence permit the issue of the Ordinary Shares to the Foreign Noteholder (but as to which the Issuer is not bound to enquire), either unconditionally or after compliance with conditions which the Issuer, in its absolute discretion, regards as acceptable and not unduly onerous; or
- (C) where subparagraph (iv) applies, the issue to that Noteholder is net of the FATCA Withholding,

and to the extent that the Issuer is not obliged to issue Ordinary Shares to that Noteholder, the Issuer will issue the balance of the Ordinary Shares to the nominee in accordance with subparagraph (vi) of this Condition 8.12; and

- (vi) otherwise, subject to applicable law, the Issuer will issue the balance of Ordinary Shares in respect of that Noteholder to a nominee appointed by the Issuer (which nominee may not be the Issuer or a Related Entity of the Issuer) and, subject to applicable law:
  - (A) where subparagraph (iii) applies, the nominee will hold Ordinary Shares in an aggregate amount equal to the aggregate number to be issued in respect of that Noteholder and will transfer Ordinary Shares to that Noteholder if, within 30 days of the Conversion Date, the Noteholder provides the nominee with the information required to be provided by that Noteholder under Condition 8.11 (as if a reference in subparagraph (c) of Condition 8.11 to the Issuer is a reference to the nominee and a reference to the issue of Ordinary Shares is a reference to the transfer of Ordinary Shares);
  - (B) where subparagraph (iv) applies, the nominee shall deal with Ordinary Shares the subject of a FATCA Withholding and any proceeds of their disposal in accordance with FATCA; and
  - (C) the nominee will as soon as reasonably possible (or, where subparagraph (iii) applies, as soon as reasonably possible after the expiration of the period of 30 days), sell the Ordinary Shares it receives and pay a cash amount equal to the net proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to that Noteholder.
- (b) The issue of Ordinary Shares to a nominee pursuant to paragraph (a)(vi) will satisfy all obligations of the Issuer to that Noteholder in connection with the Conversion and on and from the issue of Ordinary Shares to such nominee such Capital Notes will be deemed to be Converted and the rights of the Noteholder the subject of this Condition shall be limited to its rights in respect of the Ordinary Shares or their net cash proceeds as provided in this Condition.
- (c) Nothing in this Condition 8.12 shall affect the Conversion of the Capital Notes of a Noteholder which is not a person to which any of subparagraphs (a)(i) to (iii) (inclusive) applies.

### 8.13 No duty on sale

For the purpose of Condition 8.12, the Issuer does not owe any obligations or duties to the Noteholders in relation to the price at which Ordinary Shares are sold and has no liability for any loss suffered by a Noteholder as a result of the sale of Ordinary Shares by any such nominee.

### 8.14 Power of attorney

- (a) Each Noteholder appoints each of the Issuer, its officers and any External Administrator of the Issuer (each an "**Attorney**") severally to be the attorney of the Noteholder with power in

the name and on behalf of the Noteholder to sign all documents and transfers and do any other thing as may in the Attorney's opinion be necessary or desirable to be done in order for the Noteholder to observe or perform the Noteholder's obligations under these Conditions including, but not limited to, effecting any Conversion or Write-Off of Capital Notes, making any entry in the Register or the register of any Ordinary Shares or exercising any voting power in relation to any consent or approval required for Conversion or Write-Off.

- (b) The power of attorney given in this Condition 8.14 is given for valuable consideration and to secure the performance by the Noteholder of the Noteholder's obligations under these Conditions and is irrevocable.

## **8.15 Noteholder acknowledgments**

Each Noteholder irrevocably acknowledges and agrees that:

- (a) where it is required to accept Ordinary Shares under these Conditions, it consents to becoming a member of the Issuer and agrees to be bound by the Constitution, in each case in respect of the Ordinary Shares issued on Conversion;
- (b) its Capital Notes will be Converted or, where applicable, Written-Off, when required by these Conditions notwithstanding:
  - (i) any change in the financial position of the Issuer since the Issue Date;
  - (ii) any disruption to the market or potential market for the Ordinary Shares or to capital markets generally;
  - (iii) any breach by the Issuer of any obligation in connection with the Capital Notes; or
  - (iv) any other circumstance which might affect a Conversion of the Capital Notes;
- (c) Conversion and, where applicable, Write-Off, of the Capital Notes in accordance with Condition 7 and this Condition 8 are fundamental terms of the Capital Notes and are not subject to any other conditions other than those expressly provided in Condition 7 and this Condition 8;
- (d) Conversion must occur immediately on the Non-Viability Conversion Date and Conversion or Write-Off may result in disruption or failures in trading or dealings in the Capital Notes or other loss to Noteholders;
- (e) it will not have any rights to vote in respect of any Conversion or Write-Off;
- (f) without prejudice to the Issuer's obligations under Condition 8.10, the Ordinary Shares issued on Conversion may not be quoted at the time of issue, or at all;
- (g) the determinations made by the Issuer under Condition 7.2 are final and binding; and
- (h) it has no remedies on account of a failure by the Issuer to issue Ordinary Shares in accordance with Condition 8 other than (and subject always to Condition 7.3) to seek specific performance of the obligation to issue the Ordinary Shares to it or, where Condition 8.12 applies, to the nominee.

---

## **9 Payments**

### **9.1 Method of payment**

Subject to the other provisions of this Condition 9:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the Principal Financial Centre; and

- (b) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

## 9.2 Payments subject to fiscal and other laws

Payments will be subject in all cases to:

- (a) any fiscal or other laws and regulations applicable thereto (whether by operation of law or agreement of the Issuer); and
- (b) any FATCA Withholding,

but without prejudice to the provisions of Condition 11.

## 9.3 Payment Day

If the date for payment of any amount in respect of any Capital Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Day**" means any day which (subject to Condition 12) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
- (i) in the case of Capital Notes in definitive form only, the relevant place of presentation; and
- (ii) each Additional Financial Centre specified in the applicable Pricing Supplement;
- (b) either:
- (i) in relation to any sum scheduled to be paid in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Principal Financial Centre; or
- (ii) in relation to any sum scheduled to be paid in euro, a day which is a T2 Business Day; and
- (c) in the case of any payment in respect of a Registered Global Note denominated in a Specified Currency other than U.S. Dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Registered Global Note) has elected to receive any part of such payment in U.S. Dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City.

Nothing in this Condition 9.3 affects the operation of Condition 8.1(b) on the Non-Viability Conversion Date.

## 9.4 Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Capital Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be scheduled to be paid with respect to principal under Condition 11.3; and
- (b) the Redemption Amount of the Capital Notes.

Any reference in the Conditions to interest in respect of the Capital Notes shall be deemed to include, as applicable, any additional amounts which may be scheduled to be paid with respect to interest under Condition 11.3.

## **9.5 Payments in respect of Definitive Bearer Notes and Coupons**

Payments of principal in respect of Definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 9.1 above only against presentation and surrender (or, in the case of part payment of any sum scheduled to be paid, endorsement) of Definitive Bearer Notes, and payments of interest in respect of Definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum scheduled to be paid, endorsement) of Coupons, in each case at the Specified Office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Notes which are Definitive Bearer Notes should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum scheduled to be paid) will be deducted from the sum scheduled for payment. Each amount of principal so deducted will be scheduled to be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 12) or, if later, five years from the date on which such Coupon would otherwise have been scheduled to be paid, but in no event thereafter.

Upon any Fixed Rate Note which is a Definitive Bearer Note becoming scheduled to be repaid, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note which is a Definitive Bearer Note is scheduled to be repaid, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the date scheduled for redemption of any Definitive Bearer Note is not an Interest Payment Date, interest (if any) calculated in respect of such Capital Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be scheduled to be paid on that date on which redemption is scheduled only against surrender of the relevant Definitive Bearer Note.

## **9.6 Payments in respect of Global Notes in bearer form**

Payments of principal and interest (if any) in respect of any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to Definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the Specified Office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)). A record of each payment made against presentation or surrender of any Global Note in bearer form, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented and such record shall be prima facie evidence that the payment in question has been made. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "Payment Day" set out in Condition 9.3.

## **9.7 Payments in respect of Registered Notes**

### **(a) Payments of principal**

Payments of principal in respect of each Registered Note other than an Australian Domestic Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum scheduled to be paid, endorsement) of the Registered Note at the Specified Office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account of the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of business on the Clearing System Business Day (being for this purpose also a Registry Business Day) immediately prior to the relevant date on which payment is scheduled.

**(b) Payments of interest in respect of Registered Notes**

Payments of interest in respect of each Registered Note other than an Australian Domestic Note (whether or not in global form) will be made in the Specified Currency on the relevant date on which payment is scheduled to the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of business on the fifteenth day (whether or not such fifteenth day is a Registry Business Day) before the relevant date on which payment is scheduled ("**Record Date**").

Upon application of the holder to the Specified Office of the Registrar not less than three Registry Business Days before the date scheduled for any payment of interest in respect of a Registered Note other than an Australian Domestic Note, the payment may be made by transfer on the scheduled date in the manner provided in Condition 9.7(a). Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest scheduled to be paid on redemption) in respect of the Registered Notes which become scheduled to be paid to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder.

Payment of the interest scheduled to be paid in respect of each Registered Note (other than an Australian Domestic Note) on redemption will be made in the same manner as payment of the nominal amount of such Registered Note.

Notwithstanding the above, in respect of Registered Global Notes, all payments will be made to the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment.

**(c) Certain payments in respect of Global Notes to DTC**

Notwithstanding any other provision in this Condition 9.7, all amounts scheduled to be paid to DTC or its nominee as registered holder of a Global Note in registered form in respect of Capital Notes denominated in a Specified Currency other than U.S. Dollars shall be scheduled to be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for payment in such Specified Currency for conversion into U.S. Dollars in accordance with the provisions of the Euro Agency Agreement (except, in the case of any Capital Note, to the extent specified by the relevant beneficial holder in accordance with DTC procedures, as more fully described in the Euro Agency Agreement).

**(d) No responsibility for records**

None of the Issuer or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

**9.8 General provisions applicable to payments on Global Notes**

The holder of a Global Note shall be the only person entitled to receive payments in respect of Capital Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the beneficial holder of a particular nominal amount of Capital Notes represented by such Global Note must look

solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition 9.8, if any amount of principal and/or interest in respect of Bearer Notes is scheduled to be paid in U.S. Dollars, such U.S. Dollar payments of principal and/or interest in respect of such Capital Notes will be made at the Specified Office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with Specified Offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. Dollars at such Specified Offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when scheduled to be paid;
- (b) payment of the full amount of such principal and interest at all such Specified Offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. Dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

### **9.9 Payments in respect of Australian Domestic Notes**

Monies scheduled to be paid by the Issuer in respect of an Australian Domestic Note shall be paid:

- (a) in the case of a payment of interest, to the holder appearing in the Australian Register at the close of business on the Record Date; and
- (b) in the case of a payment of principal, to the holder appearing in the Australian Register at 10.00 a.m. (Sydney time) on the date which is fixed for payment.

If Australian Domestic Notes are:

- (i) held in the Austraclear System, payments in respect of each Capital Note will be made by crediting on the relevant payment date the amount then scheduled to be paid to the account of the Noteholder in accordance with the Austraclear Regulations; or
- (ii) not held in the Austraclear System, payments in respect of each Capital Note will be made by crediting on the relevant payment date the amount then scheduled to be paid to an account previously notified to the Issuer and the Australian Registrar by the holder in respect of that Capital Note. If the holder has not notified the Issuer and the Australian Registrar of such an account by the time specified in Condition 9.9(a) or 9.9(b) (as applicable) payments in respect of the relevant Capital Note will be made by cheque dispatched by post on the relevant payment date at the risk of the Noteholder. Cheques despatched to the nominated address of a holder will in such cases be deemed to have been received by the holder on the relevant payment date and no further amount will be payable by the Issuer in respect of the relevant Capital Note as a result of payment not being received by the holder on the date scheduled for payment.

### **9.10 No set-off or offsetting rights**

A Noteholder:

- (a) may not exercise any right of set-off against the Issuer in respect of any claim by the Issuer against that Noteholder; and
- (b) will have no offsetting rights or claims on the Issuer if the Issuer does not pay an amount when scheduled under these Conditions.

The Issuer may not exercise any right of set-off against a Noteholder in respect of any claim by that Noteholder against the Issuer.

---

## 10 Redemption and purchase

### 10.1 Redemption by the Issuer for tax or regulatory reasons

Subject to Condition 10.6, and unless otherwise specified in the applicable Pricing Supplement, the Capital Notes may be redeemed at the option of the Issuer (in whole or in part) at any time (if this Capital Note is a Fixed Rate Note) or on any Interest Payment Date (if this Capital Note is a Floating Rate Note) by giving not less than 30 and not more than 60 days' notice to the Principal Paying Agent or the Australian Registrar (as applicable) and, in accordance with Condition 17, the Noteholders (which notice shall be irrevocable), if a Tax Event or Regulatory Event occurs.

Each Capital Note redeemed pursuant to this Condition 10.1 will be redeemed at its Redemption Amount together (if appropriate, and subject to Condition 4.4) with interest calculated from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date to (but excluding) the date of redemption.

### 10.2 Redemption at the option of the Issuer (Issuer Call)

Subject to Condition 10.6, if Issuer Call is specified in the applicable Pricing Supplement, the Issuer may, having given not less than 20 nor more than 40 days' notice to the Noteholders in accordance with Condition 17 (which notice shall be irrevocable), redeem the Capital Notes (in whole or in part) then outstanding on any Optional Redemption Date specified in the applicable Pricing Supplement (which date shall not, for the avoidance of doubt, fall prior to the fifth anniversary of the Issue Date) at the Redemption Amount together, if appropriate, and subject to Condition 4.4, with interest calculated from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date to (but excluding) the relevant Optional Redemption Date.

In the case of a partial redemption of Notes, the notes to be redeemed (the "**Redeemed Notes**") will be selected:

- (a) in the case of Redeemed Notes (other than Australian Domestic Notes) represented by Definitive Notes, individually by lot;
- (b) in the case of Redeemed Notes that are Australian Domestic Notes, in a fair and reasonable manner as determined by the Issuer and in compliance with any law, directive or requirement of any clearing system in which the Capital Notes are held;
- (c) in the case of Redeemed Notes represented by Global Notes, in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) and/or DTC,

in each case not more than 30 days prior to the date fixed for redemption (such selection date, the "**Selection Date**").

In the case of:

- (i) Redeemed Notes represented by Definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 17 not less than 15 days prior to the date fixed for redemption; and
- (ii) Redeemed Notes represented by a Global Note, no exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 10.2 and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 17 at least five days prior to the Selection Date.

Any notice given under this Condition 10.2 is irrevocable and obliges the Issuer to redeem the Capital Notes at the time and in the manner specified in the notice, unless a Non-Viability Trigger Event occurs after the giving of notice under this Condition 10.2, in which case such notice will be taken to be revoked immediately and automatically and Condition 7 will apply.

### **10.3 No redemption at the option of the Noteholders**

The Capital Notes are perpetual securities in respect of which there is no maturity date or other fixed redemption date. A Noteholder cannot require the Issuer to redeem all or some of the Capital Notes held by that Noteholder at any time except as expressly provided in Condition 1.2.

### **10.4 Purchases**

Subject to Condition 10.6, the Issuer or any Related Entity of the Issuer may at any time purchase Capital Notes or any other bond, note or other debt instrument issued by the Issuer from time to time (whether ranking senior to or equally with the Capital Notes) (provided that, in the case of Definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise and, if so purchased, such Capital Notes shall be cancelled.

### **10.5 Cancellation**

All Capital Notes which are redeemed or purchased for cancellation by the Issuer shall be cancelled forthwith:

- (a) in the case of Bearer Notes, by surrendering each such Capital Note together with all unmatured Coupons and all unexchanged Talons to the Principal Paying Agent;
- (b) in the case of Registered Notes (other than Australian Domestic Notes), by surrendering such Registered Note to the Registrar; and
- (c) in the case of Australian Domestic Notes, without any further action being required.

Any Capital Notes so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such Capital Notes shall be discharged.

### **10.6 Early redemption and purchase restrictions**

The Issuer may only elect to redeem any Capital Notes under this Condition 10, and the Issuer or any of its Related Entities may only elect to purchase any Capital Notes under Condition 10, with the prior written approval of APRA and it will not be permitted to redeem any Capital Notes under this Condition 10 unless either:

- (a) before or concurrently with the redemption or purchase, the Issuer replaces the Capital Notes the subject of the redemption or purchase with a capital instrument which is of the same or better quality (for the purposes of APRA's prudential standards as they are applied to the Level 2 Insurance Group at the relevant time) and the Issuer obtains confirmation from APRA that APRA is satisfied that the replacement of the relevant Capital Notes is done under conditions that are sustainable for the income capacity of the Issuer; or
- (b) the Issuer obtains confirmation from APRA that APRA is satisfied, having regard to the capital position of the Level 2 Insurance Group, that the Issuer does not have to replace the Capital Notes the subject of the redemption or purchase.

### **10.7 Resale**

At any time that the Issuer may redeem Capital Notes in accordance with this Condition 10, the Issuer may in lieu of such redemption, subject to Condition 10.8, elect to Resell Capital Notes. If the Issuer elects to Resell Capital Notes, Conditions 10.9 to 10.14 (inclusive) apply to that Resale. Conditions 10.9 to 10.14 (inclusive) do not otherwise apply.

## 10.8 Appointment of Nominated Purchaser

The Issuer, in its absolute discretion, must appoint, subject to Condition 10.9, one or more third parties, each of which will, at the time of such appointment, agree to act as a nominated purchaser in accordance with this Condition 10 (each, a “**Nominated Purchaser**”), for the Resale on such terms as may be agreed between the Issuer and the Nominated Purchaser(s) (and to the extent any such terms may cause the Capital Notes to cease to be eligible for inclusion in the Issuer’s Tier 1 Capital, with the prior written approval of APRA) including:

- (a) as to the conditions of any Resale, the procedures for settlement of such Resale and the circumstances in which the notice given under Condition 10.1 or Condition 10.2 (in each case as construed in accordance with Condition 10.14(a)) for that Resale may be amended, modified, added to or restated;
- (b) as to the substitution of another entity (not being the Issuer or a Related Entity of the Issuer) as Nominated Purchaser if, for any reason, the Issuer is not satisfied that the Nominated Purchaser will perform its obligations under this Condition 10 in respect of the Resale; and
- (c) as to the terms (if any) on which any Capital Notes acquired by a Nominated Purchaser may be redeemed, Converted or otherwise dealt with.

The Issuer may appoint more than one Nominated Purchaser in respect of a Resale. All or any of the Capital Notes held by a Noteholder which are being Resold must be purchased by any one or any combination of the Nominated Purchasers, as determined by the Issuer, for the Redemption Amount.

## 10.9 Identity of Nominated Purchasers

The Issuer may not appoint itself or any Related Entity of the Issuer as a Nominated Purchaser.

## 10.10 Irrevocable offer to sell Capital Notes

Each Noteholder:

- (a) on the date the Resale is to occur, as notified under Condition 10.1 (as construed in accordance with Condition 10.14(a)); or
- (b) on the relevant Optional Redemption Date in respect of a Resale,

as the case may be, is taken irrevocably to offer to sell Capital Notes the subject of the Resale to the Nominated Purchaser or Nominated Purchasers for the Redemption Amount.

## 10.11 Effect of Resale

On:

- (a) the date the Resale is to occur, as notified under Condition 10.1 (as construed in accordance with Condition 10.14(a)); or
- (b) the relevant Optional Redemption Date in respect of a Resale,

subject to payment by the Nominated Purchaser of the Redemption Amount to the relevant Noteholders, all right, title and interest in Capital Notes the subject of the Resale (excluding the right to any interest payable on that date) will be transferred to the Nominated Purchaser free from Encumbrances.

## 10.12 Effect of failure by Nominated Purchaser or Nominated Purchasers to pay

If a Nominated Purchaser does not pay the Redemption Amount to the Noteholders on the date the Resale is to occur as notified under Condition 10.1 or on the relevant Optional Redemption Date (as the case may be) (a “**Defaulting Nominated Purchaser**”):

- For personal use only
- (a) the notice given under Condition 10.1 or Condition 10.2 (in each case as construed in accordance with Condition 10.14(a)) in respect of the Resale (as the case may be) as it relates to the Defaulting Nominated Purchaser will be void;
  - (b) Capital Notes will not be transferred to the Defaulting Nominated Purchaser; and
  - (c) Noteholders will continue to hold the Capital Notes referable to the Defaulting Nominated Purchaser until they are otherwise redeemed, Resold, Converted or Written-Off in accordance with these Conditions.

#### **10.13 Power of attorney**

Without limiting Condition 8.14, Condition 8.14 applies in connection with a Resale in the same manner as it would in connection with a Conversion or Write-Off (including, without limitation, for the purposes of effecting any transfers of Capital Notes).

#### **10.14 Interpretation of redeem, redeemed and redemption in respect of a Resale**

- (a) Subject to paragraphs (b) to (e) (inclusive), any reference to “redeem”, “redeemed” and “redemption”:
  - (i) in Conditions 3.8, 3.12, 7.3, 8.1, 9.7, 10.1, 10.2, 10.3, 10.6 and 18.5;
  - (ii) in the definitions of “Redemption Amount” under Condition 22.1; and
  - (iii) in the applicable Pricing Supplement,

shall be read as a reference to “Resell”, “Resold” and “Resale”, respectively and the Redemption Amount payable on a Resale shall be payable in the same manner as upon a redemption.

- (b) To the extent paragraph (a) of this Condition 10.14 applies to Condition 3.8 or Condition 3.12(b), such Condition does not preclude the transfer of a Registered Note to be registered in respect of the transfer of the Registered Note from the relevant Noteholder to a Nominated Purchaser in accordance with the Resale.
- (c) In the case of a Resale of:
  - (i) any Definitive Bearer Note occurring on an Interest Payment Date, the transfer of such Definitive Bearer Note from a Noteholder to a Nominated Purchaser in respect of that Resale shall be made exclusive of any Coupon which relates to that Interest Payment Date, which Coupon (if any) shall be retained by the Noteholder entitled to it and remain liable to be presented and surrendered or endorsed (as the case may be) in accordance with Condition 9.5;
  - (ii) any Definitive Bearer Note occurring on a date other than an Interest Payment Date or any Global Note in bearer form, the Resale is exclusive of the interest (if any) which would be payable in accordance with Condition 9.5 or Condition 9.6 (as applicable) if such Definitive Bearer Note or Global Note (as the case may be) were redeemed and such interest is payable to the Noteholder whose Definitive Bearer Note or Global Note (as the case may be) is being transferred in accordance with the Resale; and
  - (iii) a Capital Note in part, in order to facilitate the Resale, the part of the Capital Note to be Resold and the part of the Capital Note not to be Resold shall be deemed to be separate choses in action.
- (d) Any notice given under Condition 10.1 or Condition 10.2 (as construed in accordance with paragraph (a) of this Condition 10.14) in respect of a Resale shall be irrevocable and identify the Nominated Purchaser(s) for that Resale.
- (e) Any reference to “Redeemed Notes” in Condition 10.2 shall be read as a reference to “Resold Notes”.

***Noteholders should not expect that APRA's approval will be given for any early redemption, Resale or purchase of Capital Notes under these Conditions.***

---

## **11 Taxation**

### **11.1 Withholding Tax**

All payments of principal, interest and other amounts by or on behalf of the Issuer in respect of the Capital Notes or the Coupons shall be made free and clear of, and without withholding or deduction for, any present or future Taxes imposed or levied by or on behalf of a Tax Authority in a Relevant Tax Jurisdiction or any political subdivision thereof, or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

### **11.2 Deductions**

If the Issuer is required by law to make a withholding or deduction, the Issuer shall pay the full amount required to be withheld or deducted by law to the relevant authority within the time allowed for such payment without incurring any penalty under the applicable law.

Subject to Condition 11.3, if any withholding or deduction has been made and the amount of the withholding or deduction has been paid by the Issuer to the relevant authority and the balance of the amount scheduled to be paid is so paid to the relevant Noteholder, the full amount scheduled to be paid to such Noteholder shall be deemed to have been duly paid and satisfied by the Issuer.

### **11.3 Additional Amounts**

If a law of a Relevant Tax Jurisdiction requires that any payments in respect of the Capital Notes or Coupons be subject to deduction or withholding with respect to any present or future Taxes imposed or levied by or on behalf of a Relevant Tax Jurisdiction or any political subdivision thereof, or any authority therein or thereof having power to tax, the Issuer will, to the fullest extent then permitted by law, and subject to Condition 4.4, increase the amount that is scheduled to be paid by such additional amounts as may be necessary in order that the net amounts received by the holders of the Capital Notes or Coupons after such deduction or withholding shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Capital Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Capital Note or Coupon:

- (a) in respect of which the Noteholder, or a third party recipient on behalf of a Noteholder, is liable for those Taxes by reason of its having some connection with Australia, other than the mere holding of the Capital Notes or the receipt of the relevant payment provided that a Noteholder shall not be regarded as having a connection with Australia for the reason that the holder is a resident of Australia within the meaning of the Tax Act;
- (b) in respect of which the Noteholder could lawfully avoid (but has not so avoided) such Taxes by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or similar case for exemption to any tax authority;
- (c) to, or to a third party on behalf of, an Australian resident Noteholder or a non-resident Noteholder who is engaged in carrying on business in Australia at or through a permanent establishment of the non-resident in Australia, if that person has not supplied an appropriate tax file number, Australian Business Number or other exemption details;
- (d) to, or to a third party on behalf of, a Noteholder where such withholding or deduction is required to be made pursuant to a notice or direction issued by the Commissioner of Taxation of Australia under section 255 of the Tax Act or section 260-5 of Schedule 1 to the Tax Act or any similar law;
- (e) which is imposed or withheld as a consequence of a determination having been made under Part IVA of the Tax Act (or any modification thereof or provision substituted therefor) by the Commissioner of Taxation of the Commonwealth of Australia that withholding tax is payable

in respect of a payment in circumstances where the payment would not have been subject to withholding tax in the absence of the scheme which was the subject of that determination;

- (f) which is an estate, inheritance, gift, sales, transfer, personal property or similar tax, assessment or other charge;
- (g) in respect of Capital Notes that are not Australian Domestic Notes, presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day; or
- (h) in the case of Capital Notes issued by the Issuer acting through a borrowing office outside Australia, such further exceptions as may be specified in the applicable Pricing Supplement.

#### **11.4 FATCA**

The Issuer and any Paying Agent may withhold or make deductions from payments or from the issue of Ordinary Shares to a Noteholder where it is required to do so under or in connection with FATCA, or where it has reasonable grounds to suspect that the Noteholder or a beneficial owner of Capital Notes may be subject to FATCA, and may deal with such amount deducted or withheld, and any such Ordinary Shares deducted or withheld in accordance with FATCA and, in the case of Ordinary Shares, Condition 8.12. If any withholding or deduction arises under or in connection with FATCA, the Issuer will not be required to pay any further amounts or issue any further Ordinary Shares to the Noteholder on account of such withholding or deduction or otherwise reimburse or compensate, or make any payment to, a Noteholder or a beneficial owner of Capital Notes for or in respect of any such withholding or deduction.

---

#### **12 Prescription**

- (a) The Capital Notes (whether in bearer or registered form) and any Coupons will become void unless presented for payment (or in the case of Australian Domestic Notes, a claim for payment is made) within a period of 10 years (in the case of principal) and five years (in the case of interest and other amounts) after the Relevant Date in respect of such payment.
- (b) There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 12 or Condition 9.5 or any Talon which would be void pursuant to Condition 9.5.

---

#### **13 No events of default**

Each Noteholder, by subscribing for, purchasing or otherwise acquiring a Capital Note acknowledges and agrees that:

- (a) a Noteholder has no right to apply for the Issuer to be wound up, or placed in administration, or to cause an External Administrator to be appointed in respect of the Issuer merely on the grounds that the Issuer does not or is or may become unable to pay interest when scheduled in respect of a Capital Note; and
- (b) these Conditions contain no events of default (however described, determined or defined). Accordingly (but without limitation), failure to pay in full, for any reason, an amount of interest on the scheduled Interest Payment Date will not constitute an event of default.

---

#### **14 Replacement of Capital Notes, Coupons and Talons**

Should any Capital Note (other than an Australian Domestic Note) or Coupon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent (in the case of Bearer Notes or Coupons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require.

Mutilated or defaced Capital Notes or Coupons must be surrendered before replacements will be issued.

---

## **15 Exchange of Talons**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the Specified Office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date scheduled for the payment of interest in respect of the Capital Note to which it appertains) a further Talon, subject to the provisions of Condition 12.

---

## **16 Agents**

### **16.1 Appointment and replacement of Agents**

The names of the initial Agents and their initial Specified Offices are listed in the definition of "Specified Office" in Condition 22.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the Specified Office through which any Agent acts, subject to Condition 16.2. Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the relevant Noteholders in accordance with Condition 17.

### **16.2 Required Agents**

The Issuer shall:

- (a) at all times maintain a Principal Paying Agent;
- (b) if and for so long as there are any Registered Notes outstanding, at all times maintain a Registrar (in the case of Registered Notes other than Australian Domestic Notes) or an Australian Registrar (in the case of Australian Domestic Notes);
- (c) if and for so long as any Capital Notes are:
  - (i) admitted to the Official List of Singapore Exchange Securities Trading Limited; and/or
  - (ii) admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system,

and the rules of the relevant listing authority, stock exchange and/or quotation system so require, at all times maintain a Paying Agent and a Transfer Agent (in the case of Registered Notes) having its Specified Office in Singapore and/or in such other place as may be required by such other listing authority, stock exchange and/or quotation system;

- (d) if and for so long as any of the Registered Global Notes scheduled to be paid in a Specified Currency other than U.S. Dollars are held through DTC or its nominee, at all times maintain an Exchange Agent with a Specified Office in New York City; and
- (e) forthwith appoint a Paying Agent having a Specified Office in New York City in the circumstances described in Condition 9.8.

### **16.3 Role of the Euro Agents**

In acting under the Euro Agency Agreement, the Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders.

The Euro Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

#### **16.4 Role of the Australian Agents**

Each person in whose account an Australian Domestic Note is recorded is deemed to acknowledge in favour of the Australian Registrar and each relevant person that:

- (a) the Australian Registrar's decision to act as the Australian Registrar in respect of the Capital Note does not constitute a recommendation or endorsement by the Australian Registrar or the relevant person in relation to the Capital Note but only indicates that such Capital Note is considered by the Registrar to be compatible with the performance by it of its obligations as Australian Registrar under its agreement with the Issuer to act as Australian Registrar in respect of the Capital Note;
- (b) in acting under the Australian Agency and Registry Agreement in connection with the Capital Notes, the Australian Registrar acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders save insofar as any funds received by the Australian Registrar are required in accordance with the Australian Agency and Registry Agreement, pending their application in accordance with the Australian Agency and Registry Agreement, to be held by it in a segregated account on trust for the persons entitled thereto; and
- (c) the Noteholder does not rely on any fact, matter or circumstance contrary to this Condition 16.4.

---

### **17 Notices**

#### **17.1 Bearer Notes**

Subject to Condition 17.3, all notices regarding Bearer Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London (which is expected to be the *Financial Times*). Any such notice will be deemed to have been given on the date of the first publication.

#### **17.2 Registered Notes**

Subject to Condition 17.3, all notices regarding Registered Notes will be deemed to be validly given if:

- (a) sent by prepaid post (airmail if posted to an address overseas) to the registered holders (or the first named of joint holders) at their respective addresses recorded in the Register or the Australian Register (as applicable) and will be deemed to have been given on the fourth day after mailing;
- (b) in the case of Australian Domestic Notes only, published in *The Australian Financial Review* or any other English language daily newspaper of general circulation in Australia and will be deemed to have been given on the date of the first publication; or
- (c) in the case of Australian Domestic Notes lodged in the Austraclear System, delivered to the Austraclear System for communication by the Austraclear System to the persons shown in its records as having interests therein.

#### **17.3 Global Notes**

So long as any Global Notes representing the Capital Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg and/or DTC, there shall be substituted for publication as described in Condition 17.1 or 17.2 (as applicable), the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or DTC for communication by them to the holders of the Capital Notes. Any such notice shall be deemed to have been given to the holders of the Capital

Notes on the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg and/or DTC.

#### **17.4 Listed Notes**

If and for so long as any Capital Notes are:

- (a) admitted to the Official List of Singapore Exchange Securities Trading Limited; and/or
- (b) admitted to listing, trading and/or quotation by any other listing authority, stock exchange and/or quotation system,

and the rules of the relevant listing authority, stock exchange and/or quotation system prescribe a specific manner for the giving of notices, all notices relating to such Capital Notes shall in addition to any requirements for those notices in these Conditions, also be given in a manner which complies with those rules.

#### **17.5 Notices given by Noteholders**

Subject to Condition 17.6, notices to be given by any Noteholder shall be in writing and given by:

- (a) in the case of Capital Notes other than Australian Domestic Notes, lodging the same, together (in the case of any Capital Note in definitive form) with the relative Capital Note or Capital Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes); or
- (b) in the case of Australian Domestic Notes, prepaid post (airmail if posted to an address overseas) or delivery to the Specified Office of the Issuer.

All such notices will be deemed to be validly given in respect of paragraph (a), on the date of lodgement in accordance with that paragraph, or, in the case of paragraph (b), on the seventh day after mailing, or, if delivered to the Specified Office of the Issuer, the date of delivery (unless delivered after 5.00 p.m. in the place of receipt or on a day that is not a day on which commercial banks are open for business in the place of receipt, in which case the notice will be taken to be given at 9.00 a.m. on the next day that is a day on which commercial banks are open for business in the place of receipt).

#### **17.6 Notices given by Noteholders in respect of Global Notes**

Whilst any of the Capital Notes are represented by a Global Note, any notices to be given by any Noteholder may be given by any holder of a Capital Note to the Principal Paying Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, may approve for this purpose.

#### **17.7 Couponholders**

Couponholders are taken for all purposes to have received any notice given to the Noteholders.

---

### **18 Meetings of Noteholders, modification and waiver**

#### **18.1 Meetings and quorum**

The Euro Agency Agreement and the Australian Note Deed Poll each contain provisions (which have effect as if incorporated in these Conditions) for convening meetings of the Noteholders of any Series to consider any matter affecting their interest, including the sanctioning by Extraordinary Resolution of any modification of, or waiver with respect to, these Conditions, the Euro Agency Agreement, the Deed of Covenant or the Australian Note Deed Poll (as applicable) insofar as the same may apply to such Capital Notes.

Such a meeting may be convened by the Issuer or by Noteholders holding not less than 10 per cent. in nominal amount of the Capital Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing in the aggregate not less than 50 per cent. in nominal amount of the Capital Notes of the Series for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Capital Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Capital Notes or the Coupons (including modifying any date scheduled for payment of interest on the Capital Notes, reducing or cancelling the amount of principal or the rate of interest scheduled to be paid in respect of the Capital Notes or altering the currency of payment of the Capital Notes or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Capital Notes of the Series for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Capital Notes for the time being outstanding.

## 18.2 Extraordinary Resolutions

The Euro Agency Agreement and the Australian Note Deed Poll each provide that:

- (a) a resolution passed at a meeting duly convened and held in accordance with the provisions of the Euro Agency Agreement or the Australian Note Deed Poll (as applicable) by a majority consisting of not less than 75 per cent. of the votes cast on such resolution;
- (b) a resolution in writing signed by or on behalf of the Noteholders of not less than 75 per cent. in principal amount of the Capital Notes of the Series for the time being outstanding; or
- (c) a consent given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the Noteholders of not less than 75 per cent. in principal amount of the Capital Notes of the Series for the time being outstanding,

shall, in each case, be effective as an extraordinary resolution of the Noteholders (an “**Extraordinary Resolution**”).

An Extraordinary Resolution passed by the Noteholders of any Series will be binding on all the Noteholders of that Series, whether or not they are present at any meeting and whether or not they voted on the resolution, and on all Couponholders of that Series.

## 18.3 Issuer modifications

The Issuer may make or agree to, without the consent of the Noteholders or Couponholders, any amendment or modification of, or addition to, any provisions of the Capital Notes, the Coupons, the Euro Agency Agreement, the Deed of Covenant or the Australian Note Deed Poll:

- (a) which is not materially prejudicial to the interests of the Noteholders as a whole;
- (b) to reflect the substitution of a borrowing office in accordance with Condition 18.5;
- (c) which is of a formal, minor or technical nature, or is made to correct a manifest or proven error, to cure any ambiguity or defect or to comply with mandatory provisions of the law; or
- (d) which is:
  - (i) made to:
    - (A) alter the terms of any Capital Notes to align them with any Equal Ranking Instruments issued after the Issue Date; or
    - (B) alter the definition of “Equal Ranking Instruments” on account of the issue (after the Issue Date) of capital instruments of the Group; and
  - (ii) not materially prejudicial to the interests of the Noteholders as a whole.

Any such amendment, modification or addition shall be binding on the Noteholders, and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 17 as soon as practicable thereafter.

#### **18.4 Noteholder approval not required**

The Issuer does not require the approval of Noteholders to vary or terminate any registry agreement or other deed or agreement (other than the Australian Note Deed Poll and these Terms and Conditions) in respect of any Australian Domestic Notes.

#### **18.5 Branch Substitution**

Subject to APRA's prior written approval, the Issuer may, from time to time, make or agree to, without the consent of the Noteholders or Couponholders, whether or not a borrowing office outside Australia is specified in the applicable Pricing Supplement, amend or modify the Conditions applicable to the Capital Notes to specify that the Capital Notes are on issue through a borrowing office of the Issuer (whether in or outside Australia) (a "**Branch Substitution**"), provided that:

- (a) the Issuer may not make or agree to a Branch Substitution if it would be illegal by the laws applicable to the relevant borrowing office to have the Capital Notes on issue through that borrowing office or to perform its obligations in respect of the Capital Notes;
- (b) the obligations in respect of the Capital Notes remain obligations of the Issuer ranking as contemplated by these Conditions and are not limited to the assets of the relevant borrowing office; and
- (c) no redemption of the Capital Notes (whether in whole or in part) in accordance with Condition 10.1 is permitted following the occurrence of a Tax Event relating to the Relevant Tax Jurisdiction where the borrowing office resulting from the Branch Substitution is located unless such Tax Event occurs on or after the date of the Branch Substitution.

Each Noteholder irrevocably acknowledges and agrees to any Branch Substitution in accordance with this Condition 18.5. Nothing in this Condition 18.5 creates any obligation on, nor gives a Noteholder any right to require, the Issuer to make or agree to a Branch Substitution.

#### **18.6 No variation which may affect Tier 1 Capital eligibility**

The prior written approval of APRA is required in respect of any variation, amendment or modification of, or addition to any provisions of the Capital Notes, the Coupons, the Euro Agency Agreement, the Deed of Covenant or the Australian Note Deed Poll where such variation, amendment, modification or addition may affect the eligibility of the Capital Notes as Tier 1 Capital.

---

### **19 Further issues and consolidation**

#### **19.1 Further issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Capital Notes, or the same in all respects save for one or more of the amount, the Issue Date, the Issue Price and date of the first payment of interest thereon and the date from which interest starts to be calculated and so that the same shall be consolidated and form a single Series with the outstanding Capital Notes, provided that the terms of any further notes ranking equally with, or forming a single Series with outstanding Capital Notes must be such that, those further notes, upon their issue, are eligible for inclusion in the Issuer's Tier 1 Capital.

The Issuer shall not be restricted from creating or issuing any other notes.

#### **19.2 No other rights**

No person, by virtue of being a Noteholder, has:

- (a) any claim against the Issuer except as expressly set out in these Conditions;
- (b) any right to participate in the issue of any shares or any other securities of any kind of the Issuer or any other member of the Group; or
- (c) any right to receive notice of or vote at any meeting of members of the Issuer.

### 19.3 Consolidation

The Issuer may also from time to time, without the consent of the Noteholders, on giving not less than 30 days' prior notice to the Noteholders, consolidate Capital Notes denominated or redenominated in euro with one or more issues of other notes ("**Other Notes**") issued by it and denominated in the currency of any of the Member States of the European Union provided that such Other Notes are denominated in, or have been redenominated into euro and otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Capital Notes.

In the event of any such consolidation, the Issuer may, without the consent of the Noteholders, provide for additional, and/or substitute denominations of such Capital Notes.

Notice of any such consolidation and/or provision of additional or substitute denominations will be given to the Noteholders in accordance with Condition 17.

---

## 20 Contracts (Rights of Third Parties) Act 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Capital Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

---

## 21 Governing law and submission to jurisdiction

### 21.1 Governing law

The Euro Agency Agreement, the Deed of Covenant, the Capital Notes (other than the Australian Domestic Notes), the Coupons and any non-contractual obligations arising out of or in connection with the Euro Agency Agreement, the Deed of Covenant, the Capital Notes (other than the Australian Domestic Notes) and the Coupons are governed by, and shall be construed in accordance with, English law except for:

- (a) the subordination provisions set forth in Condition 1; and
- (b) the provisions of Conditions 7 and 8;

which are governed by, and shall be construed in accordance with, the laws in force in the State of New South Wales, Australia.

The Australian Note Deed Poll and the Australian Domestic Notes are governed by, and shall be construed in accordance with, the laws in force in the State of New South Wales, Australia.

### 21.2 Submission to jurisdiction

The Issuer irrevocably agrees for the benefit of the Noteholders and the Couponholders (as applicable):

- (a) that the courts of England are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Capital Notes (other than the Australian Domestic Notes) and/or the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Capital Notes (other than the Australian Domestic Notes) and/or the Coupons) and accordingly submits to the jurisdiction of the English courts; and

- (b) that the courts of the State of New South Wales, Australia are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Australian Domestic Notes and accordingly submits to the jurisdiction of the courts New South Wales, Australia.

The Issuer waives any objection to the courts of England or the courts of the State of New South Wales, Australia (as the case may be) on the grounds that they are an inconvenient or inappropriate forum. The Noteholders and the Couponholders may take any suit, action or proceedings (together referred to as “**Proceedings**”) arising out of or in connection with the Capital Notes and the Coupons (including any Proceedings relating to any non-contractual obligations arising out of or in connection with the Capital Notes and/or the Coupons) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

### 21.3 Appointment of Process Agent

The Issuer appoints QBE European Operations Plc at its office at Plantation Place, 30 Fenchurch Street, London EC3M 3BD, United Kingdom as its agent for service of process (“**Process Agent**”), and undertakes that, in the event of QBE European Operations Plc ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

### 21.4 Other documents

The Issuer has in the Euro Agency Agreement and the Deed of Covenant submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

---

## 22 Definitions and interpretation

### 22.1 Definitions

**ABN** shall have the meaning given to Australian Business Number.

**Acquisition Event** means:

- (a) a takeover bid is made to acquire all or some of the Ordinary Shares and the offer is, or becomes, unconditional and as a result of the bid the bidder (and its associates as defined in section 12 of the Corporations Act) has a relevant interest in more than 50% of the Ordinary Shares on issue;
- (b) a court approves a scheme of arrangement which, when implemented, will result in a person (and its associates as defined in section 12 of the Corporations Act) having a relevant interest in more than 50% of the Ordinary Shares on issue; or
- (c) a person together with its associates as defined in section 12 of the Corporations Act:
  - (i) acquires or comes to hold beneficially more than 50% of the voting shares (as defined in the Corporations Act) in the capital of the Issuer; or
  - (ii) enters into an agreement to beneficially acquire more than 50% of the voting shares (as defined in the Corporations Act) in the capital of the Issuer and the agreement to acquire is, or becomes, unconditional,

(for the purposes of this definition, each an “**event**”), other than as part of a solvent reorganisation of the relevant entity where the persons holding relevant interests in the ordinary equity capital (being listed on the ASX) of the bidder or other person (“**Approved Acquirer**”) acquiring a relevant interest in more than 50% of the Ordinary Shares on issue or beneficially acquiring more than 50% of the voting shares in the capital of the Issuer are, or will be, substantially the same, and in substantially the same proportions, as the persons who

held relevant interests in the Ordinary Shares or who held beneficially voting shares in the capital of the Issuer immediately prior to the event where:

- (i) the event is initiated by the Directors or would not, in the Issuer's reasonable opinion, otherwise be materially adverse to the interests of Noteholders as a whole; and
- (ii) the Approved Acquirer agrees for the benefit of Noteholders to:
  - (A) issue listed ordinary share capital in all circumstances where the Issuer would have otherwise been obliged to issue Ordinary Shares as contemplated by these Conditions; and
  - (B) comply with the obligations and restrictions as they apply to the Issuer in connection with the Capital Notes (with all necessary and appropriate modifications),

and enters into a supplementary note deed poll or other appropriate legal documentation to give this agreement legal effect for the benefit of Noteholders.

**Acquisition Conversion Date** has the meaning given in Condition 7.12.

**Acquisition Conversion Notice** has the meaning given in Condition 7.12.

**Additional Business Centre** means a place specified as such in the applicable Pricing Supplement.

**Additional Financial Centre** means a place specified as such in the applicable Pricing Supplement.

**Agents** means the Principal Paying Agent, the Registrar, the Australian Registrar, the Australian Calculation Agent and the other Paying Agents, Transfer Agents and Exchange Agents.

**APRA** means the Australian Prudential Regulation Authority (ABN 79 635 582 658) or any successor body responsible for prudential regulation of the Issuer.

**Approved Acquirer** has the meaning given in the definition of Acquisition Event.

**ASX** means ASX Limited (ABN 98 008 624 691) or the securities market operated by it, as the context requires.

**ASX Listing Rules** means the listing rules of ASX, as amended, varied or waived (whether in their application in respect of the Issuer or generally) from time to time.

**ASX Settlement Operating Rules** means the settlement operating rules of ASX from time to time with any applicable modifications or waivers granted by ASX.

**Austraclear** means Austraclear Ltd (ABN 94 002 060 773).

**Austraclear Regulations** means the regulations known as the "Austraclear Regulations" (as amended or replaced from time to time) together with any instructions or directions established by Austraclear to govern the use of the Austraclear System.

**Austraclear System** means the system operated by Austraclear in Australia for holding securities and electronic recording and settling of transactions in those securities between members of that system.

**Australian Agency and Registry Agreement** shall have the meaning given in the preamble.

**Australian Business Number** shall have the meaning given in the A New Tax System (Australian Business Number) Act 1999 of Australia.

**Australian Calculation Agent** shall have the meaning given in the preamble.

**Australian Dollar, A\$ and AUD** shall each have the meaning given in the preamble.

**Australian Domestic Note** means a registered debt obligation of the Issuer constituted by, and owing under the Australian Note Deed Poll, the details of which are recorded in, and evidenced by, inscription in the Australian Register.

**Australian Note Deed Poll** shall have the meaning given in the preamble.

**Australian Register** means the relevant register of holders of the Australian Domestic Notes maintained by the Australian Registrar.

**Australian Registrar** shall have the meaning given in the preamble.

**Bearer Notes** shall have the meaning given in the preamble.

**Broken Amount** means an amount specified as such in the applicable Pricing Supplement.

**Business Day** means a day which is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Relevant Financial Centre and each Additional Business Centre specified in the applicable Pricing Supplement.

**Business Day Convention** shall have the meaning given in the applicable Pricing Supplement.

**Buy-Back** means a transaction involving the acquisition by the Issuer of its Ordinary Shares pursuant to an offer made in its discretion in accordance with the provisions of Part 2J of the Corporations Act.

**Calculation Amount** means the amount specified as such in the applicable Pricing Supplement.

**Capital Notes** shall have the meaning given in the preamble.

**Capital Reduction** means a reduction in capital initiated by the Issuer in its discretion in respect of its Ordinary Shares in any way permitted by the provisions of Part 2J of the Corporations Act.

**CHESS** means the Clearing House Electronic Subregister System operated by ASX or any system that replaces it relevant to the Capital Notes (including in respect of the transfer or Conversion of such Capital Notes).

**Clearing System Business Day** means Monday to Friday inclusive except December 25 and January 1.

**Clearstream, Luxembourg** means Clearstream Banking S.A..

**Conditions** shall have the meaning given in the preamble.

**Conversion Date** means a Non-Viability Conversion Date, a Mandatory Conversion Date, an Acquisition Conversion Date or an Optional Conversion Date on which the Capital Notes must be Converted.

**Conversion Number** shall have the meaning given in Condition 8.1(a).

**Conversion Conditions** has the meaning given in Condition 7.9.

**Convert** means the conversion of all, some or a proportion of the Capital Notes into Ordinary Shares under these Conditions and **Conversion, Converting** and **Converted** have corresponding meanings.

**Corporations Act** means the Corporations Act 2001 of Australia.

**Coupon** shall have the meaning given in the preamble.

**Couponholders** means the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

**Cum Value** shall have the meaning given in Condition 8.2(a).

**Day Count Fraction** means:

- (a) in respect of Fixed Rate Notes where “Actual/Actual (ICMA)” is specified in the applicable Pricing Supplement:
- (i) in the case of Capital Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of:
    - (A) the number of days in such Determination Period; and
    - (B) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or
  - (ii) in the case of Capital Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; and
    - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (b) in respect of Fixed Rate Notes where “30/360” is specified in the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360;
- (c) in respect of Floating Rate Notes:
- (i) if “Actual/Actual (ISDA)” or “Actual/Actual” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
  - (ii) if “Actual/365 (Fixed)” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;
  - (iii) if “Actual/365 (Sterling)” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
  - (iv) if “Actual/360” is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 360;

- (v) if “Australian Bond Basis” is specified in the applicable Pricing Supplement, one divided by the number of Interest Payment Dates in a year (or where the Determination Period does not constitute an Interest Period, the actual number of days in the Determination Period divided by 365 (or, if any portion of the Determination Period falls in a leap year, the sum of:
  - (A) the actual number of days in that portion of the Determination Period falling in a leap year divided by 366; and
  - (B) the actual number of days in that portion of the Determination Period falling in a non-leap year divided by 365));
- (vi) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

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

where:

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

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

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

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

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

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

- (vii) if “30E/360” or “Eurobond Basis” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

- (viii) if “30E/360 (ISDA)” is specified in the applicable Pricing Supplement, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (A) that day is the last day of February or (B) such number would be 31, in which case D<sub>2</sub> will be 30.

**Deed of Covenant** shall have the meaning given in the preamble.

**Deferred Conversion Date** has the meaning given in Condition 7.15.

**Deferred Conversion Notice** has the meaning given in Condition 7.15.

**Deferred Mandatory Conversion Date** has the meaning given in Condition 7.8.

**Defaulting Nominated Purchaser** shall have the meaning given in Condition 10.12.

**Definitive Bearer Note** shall have the meaning given in the preamble.

**Definitive Notes** shall have the meaning given in Condition 2.1.

**Definitive Registered Note** shall have the meaning given in the preamble.

**Delisting Event** means, in respect of a date:

- (a) the Ordinary Shares have ceased to be listed or admitted to trading on ASX (and continue not to be listed or admitted to trading on that date); or
- (b) an Inability Event applies on that date.

**Designated Account** means the account (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register.

**Designated Bank** means (in the case of payment in a Specified Currency other than euro) a bank in the Principal Financial Centre and (in the case of a payment in euro) any bank which processes payments in euro.

**Determination Date** means a date specified as such in the applicable Pricing Supplement.

**Determination Period** means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

**Directors** means some or all of the directors of the Issuer, acting as a board.

**Distribution Compliance Period** means the period that ends 40 days after the completion of the distribution of each Tranche of Capital Notes, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant lead manager (in the case of a syndicated issue).

**DTC** shall have the meaning given in Condition 3.3.

**Encumbrance** means any mortgage, pledge, charge, lien, assignment by way of security, hypothecation, security interest, title retention, preferential right or trust arrangement, any other security agreement or security arrangement and any other arrangement of any kind having the same effect as any of the foregoing other than liens arising by operation of law.

**Equal Ranking Instrument** means any instrument that ranks for payment of interest or dividends and in a Winding-Up of the Issuer as the most junior claim in the Winding-Up of the Issuer ranking senior to Ordinary Shares and includes:

- (a) any Preference Share; and
- (b) any other instruments issued after 1 January 2013 as Relevant Tier 1 Capital Instruments.

**euro, € and EUR** shall each have the meaning given in the preamble.

**Euro Agency Agreement** shall have the meaning given in the preamble.

**Euro-zone** means the region comprised of Member States of the European Union that adopt the single currency in accordance with the Treaty.

**Euroclear** means Euroclear Bank SA/NV.

**Exchange Agent** shall have the meaning given in the preamble.

**External Administrator** means, in respect of a person:

- (a) a liquidator, provisional liquidator, an administrator or a statutory manager of that person; or
- (b) a receiver, or a receiver and manager, in respect of all or substantially all of the assets and undertakings of that person.

**Extraordinary Resolution** shall have the meaning given Condition 18.

**Face Value** means, in respect of a Capital Note, the outstanding principal amount of that Capital Note, as such principal amount may have been reduced by redemption, Conversion or Write-Off.

**FATCA** means:

- (a) Sections 1471 to 1474 of the United States of America Internal Revenue Code of 1986 or any associated regulations;

- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the U.S. Internal Revenue Service, the U.S. government or any governmental or taxation authority in any other jurisdiction.

**FATCA Withholding** means any deduction or withholding made for or on account of FATCA.

**First Conversion Condition** has the meaning given in Condition 7.9.

**First Optional Conversion Restriction** has the meaning given in Condition 7.14.

**Fixed Coupon Amount** means an amount specified as such in the applicable Pricing Supplement.

**Fixed Rate Note** shall have the meaning given in Condition 4.1.

**Floating Rate Note** shall have the meaning given in Condition 4.1.

**Foreign Branch Note** shall have the meaning given in the preamble.

**Foreign Noteholder** shall have the meaning given in Condition 8.12(a).

**Global Note** shall have the meaning given in the preamble.

**Government Agency** means any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity.

**Group** means the Issuer and its Subsidiaries for the time being.

**Inability Event** means the Issuer is prevented by applicable law or order of any court or action of any government authority (including regarding the insolvency, winding-up or other external administration of the Issuer in any jurisdiction) or any other reason from Converting the Capital Notes.

**Interest Accrual Period** shall have the meaning given in Condition 6.6(b).

**Interest Amount** shall have the meaning given in Condition 6.10.

**Interest Commencement Date** means the date specified as such in the applicable Pricing Supplement.

**Interest Determination Date** means a date specified as such in the applicable Pricing Supplement or if none is so specified:

- (a) if “Screen Rate Determination” is specified in the applicable Pricing Supplement and the Reference Rate is the Euro-zone interbank offered rate (“**EURIBOR**”), the second day which is a T2 Business Day prior to the start of each Interest Period;
- (b) if “Screen Rate Determination” is specified in the applicable Pricing Supplement and the Reference Rate is Compounded Daily SOFR, Compounded SOFR Index Rate or Average SOFR, the SOFR Interest Determination Date (as defined in Condition 6.6(c));
- (c) where the BBSW Rate applies or the Final Fallback Rate applies under paragraph (iv)(C) of Condition 6.13, the first day of that Interest Period;
- (d) where AONIA Rate applies, the fifth Business Day prior to the last day of that Interest Period; and

- (e) if “Screen Rate Determination” is specified in the applicable Pricing Supplement and the Reference Rate is not specified in paragraphs (a) to (d) above, the first date of each Interest Period,

subject in each case to adjustment in accordance with the applicable Business Day Convention.

**Interest Payment Date** means (in the case of a Fixed Rate Note) a date so specified in the applicable Pricing Supplement and (in the case of a Floating Rate Note) the date on which interest is scheduled to be paid as determined under Condition 6.3.

**Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

**ISDA Definitions** means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., as amended or supplemented as at the Issue Date.

**ISDA Rate** shall have the meaning given in Condition 6.7.

**Issue Date** means, in respect of a Capital Note, the date on which that Capital Note is issued.

**Issue Date VWAP** means the VWAP during the applicable VWAP Period, as adjusted in accordance with Condition 8.

**Issue Price** means the amount specified as such in the applicable Pricing Supplement.

**Issuer** shall have the meaning given in the preamble.

**Japanese Yen, ¥ and JPY** shall each have the meaning given in the preamble.

**Legended Note** means Registered Notes (whether in definitive form or represented by a Registered Global Note) sold in private transactions to QIBs in accordance with the requirements of Rule 144A. **Legend** shall be interpreted accordingly.

**Level 2 Insurance Group** means the “Level 2 insurance group” (as defined by APRA from time to time) of which the Issuer is the Parent Entity.

**Mandatory Conversion Date** has the meaning given in Condition 7.8.

**Margin** means the amount specified as such in the applicable Pricing Supplement.

**Maximum Conversion Number** shall have the meaning given in Condition 8.1(a).

**Nominal Amount** shall have the meaning given in Condition 8.1(a).

**Nominated Purchaser** shall have the meaning given in Condition 10.8.

**Non-Conversion Test Date** has the meaning given in Condition 7.14.

**Non-Viability Determination** shall have the meaning given in Condition 7.1(a).

**Non-Viability Conversion Date** shall have the meaning given in Condition 7.2(a).

**Non-Viability Trigger Event** shall have the meaning given in Condition 7.1(a).

**Non-Viability Trigger Event Notice** shall have the meaning given in Condition 7.2(a).

**Noteholders or holders** shall have the meaning given in the preamble.

**Optional Conversion Date** has the meaning given in Condition 7.13.

**Optional Conversion Restrictions** has the meaning given in Condition 7.14.

**Optional Conversion Notice** has the meaning given in Condition 7.13.

**Optional Redemption Date** means a date specified as such in the applicable Pricing Supplement.

**Ordinary Share** means a fully paid ordinary share in the capital of the Issuer.

**Ordinary Share Dividend** means any interim, final or special dividend payable in accordance with the Corporations Act and the constitution of the Issuer in respect of Ordinary Shares.

**Other Notes** shall have the meaning given in Condition 19.3.

**Parent Entity** shall have the meaning given to that term by APRA from time to time.

**Paying Agent** shall have the meaning given in the preamble.

**Payment Day** shall have the meaning given in Condition 9.3.

**Preference Share** means, in respect of a Capital Note, a notional perpetual preference share in the capital of the Issuer conferring a right to non-cumulative dividend, and a claim in the winding up of the Issuer equal to the Face Value of that Capital Note, and in each case ranking senior only to Ordinary Shares.

**Pricing Supplement** means Part A of the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Capital Note.

**Principal Financial Centre** means the principal financial centre of the country of the Specified Currency specified as such in the applicable Pricing Supplement or if none is so specified:

- (a) if the Specified Currency is Sterling, London;
- (b) if the Specified Currency is Swiss Francs, Geneva;
- (c) if the Specified Currency is euro, Frankfurt;
- (d) if the Specified Currency is Japanese Yen, Tokyo;
- (e) if the Specified Currency is U.S. Dollars, New York; or
- (f) if the Specified Currency is Australian Dollars, Sydney.

**Principal Paying Agent** shall have the meaning given in the preamble.

**Proceedings** shall have the meaning given in Condition 21.2.

**Process Agent** shall have the meaning given in Condition 21.3.

**QIB** means a “qualified institutional buyer” within the meaning of Rule 144A.

**Rate of Interest** means the rate, in respect of a Capital Note, the interest rate (expressed as a percentage rate per annum) payable in respect of that Capital Note specified in the Pricing Supplement or calculated or determined in accordance with these Conditions and the Pricing Supplement.

**Record Date:**

- (a) in respect of an Australian Domestic Note and in respect of a payment of interest, means the date which is five Registry Business Days before the Interest Payment Date or other date for payment or such other date as may be approved from time to time by the Issuer in its absolute discretion; and
- (b) in respect of a Registered Note other than an Australian Domestic Note, shall have the meaning given in Condition 9.7(b).

**Redeemed Note** shall have the meaning given in Condition 10.2.

**Redemption Amount** means, in respect of a Capital Note, the Face Value of that Capital Note at the time of its redemption in accordance with these Conditions.

**Reference Banks** means the principal offices of four major banks in the Relevant Financial Centre, selected by the Principal Paying Agent or the Australian Calculation Agent (as applicable) (in each case, after prior consultation with the Issuer).

**Reference Rate** means the rate specified as such in the applicable Pricing Supplement.

**Register** means the relevant register of holders of the Registered Notes maintained by the Registrar.

**Registered Global Note** means a Global Note that is a Registered Note (but, for the avoidance of doubt, does not include an Australian Domestic Note) and includes:

- (a) a Rule 144A Global Note; and
- (b) a Regulation S Global Note,

(and any reference to “Registered Global Notes” shall be construed as a reference to Rule 144A Global Notes and/or Regulation S Global Notes, as the context requires).

**Registered Notes** shall have the meaning given in the preamble.

**Registrar** shall have the meaning given in the preamble.

**Registry Business Day** means a day on which commercial banks are open for business in the city where the Specified Office of the Registrar or the Australian Registrar (as applicable) is located.

**Regulation S** means Regulation S under the Securities Act.

**Regulation S Global Note** means a Registered Global Note representing Capital Notes sold outside the United States in reliance on Regulation S.

**Regulatory Event** means the introduction of, or an amendment or clarification to or change in, or a change in the interpretation of a law or regulation of Australia or any state or territory thereof, or a rule, regulation, prudential standard, directive, order or requirement of APRA, after the Issue Date (“**Regulatory Change**”) (or an announcement that there will be a Regulatory Change which the Issuer expects will take effect within no more than 12 months), which has or (in the case of an announced Regulatory Change) will have the effect that the Issuer is not (or will not be) entitled to treat all of the Capital Notes in full as Tier 1 Capital, or its then equivalent, of the Level 2 Insurance Group, provided that on the Issue Date the Issuer did not expect that the matters giving rise to the Regulatory Event would occur.

**Related Entity** shall have the meaning given by APRA from time to time.

**Relevant Date** in relation to any Capital Note and any payment in respect of such Capital Note, means the date on which such payment is scheduled to be paid, except that, if the full amount of the moneys scheduled to be paid has not been duly received by the Principal Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 17.

**Relevant Financial Centre** means the financial centre specified as such in the applicable Pricing Supplement or if none is so specified:

- (a) if the Reference Rate is EURIBOR, Brussels;
- (b) if BBSW Determination applies, Sydney; or

- (c) in any other case, the financial centre with which the relevant Reference Rate is most closely connected.

**Relevant Fraction** has the meaning given in Condition 8.1.

**Relevant Mandatory Conversion Date** has the meaning given in Condition 7.8.

**Relevant Rate** means the Reference Rate benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to Reference Rate benchmark) equal to the Specified Duration.

**Relevant Screen Page** means the page, section, caption, column or other part ("**Page**") of a particular information service specified as such in the applicable Pricing Supplement, such other Page as may succeed or replace it on that information service or such other Page on such other information service as the Principal Paying Agent or the Australian Calculation Agent (as applicable) may determine replaces or succeeds that Page (after prior consultation with the Issuer).

**Relevant Tax Jurisdiction** means Australia and, in the case of Capital Notes that are issued by the Issuer acting through a borrowing office outside Australia, the jurisdiction or place where the relevant borrowing office is located.

**Relevant Tier 1 Capital Instrument** means a capital instrument forming part of the Tier 1 Capital of the Level 2 Insurance Group that, in accordance with its terms or by operation of law, is capable of being converted or written-off where APRA makes a determination as referred to in Condition 7.1(a).

**Relevant Time** means the time specified as such in the applicable Pricing Supplement or if none is so specified:

- (a) if the Reference Rate is EURIBOR, 11.00 a.m.;
- (b) if BBSW Determination applies, 10.30 a.m. or such other time at which the BBSW Rate customarily appears on the Thomson Reuters Screen "BBSW" Page; or
- (c) in any other case, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits or equivalent interbank securities as are customarily used in the interbank market in the Relevant Financial Centre (as applicable) in the Specified Currency in the interbank market in the Relevant Financial Centre.

**Reorganisation** means, in relation to the Issuer, a division, consolidation or reclassification of the Issuer's share capital not involving any cash payment or other distribution or consideration to or by holders of Ordinary Shares.

**Representative Amount** means the amount specified as such in the applicable Pricing Supplement, or if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

**Required Amount** shall have the meaning given in Condition 7.2(a).

**Resale** means, in relation to a Capital Note, the transfer of that Capital Note to the Nominated Purchaser in accordance with Condition 10, and **Resold** and **Resell** have corresponding meanings.

**Rule 144A** means Rule 144A under the Securities Act.

**Rule 144A Global Note** means a Registered Global Note representing Capital Notes sold in the United States or to, or for the account or benefit of, U.S. persons to QIBs.

**Scheduled Mandatory Conversion Date** has the meaning specified in the applicable Pricing Supplement.

**Scheduled Optional Conversion Date** has the meaning specified in the applicable Pricing Supplement.

**Scheduled Trading Day** means a day which is a business day within the meaning of the ASX Listing Rules.

**Second Conversion Condition** has the meaning given in Condition 7.9.

**Second Optional Conversion Restriction** has the meaning given in Condition 7.14.

**Securities Act** means the United States Securities Act of 1933, as amended.

**Selection Date** shall have the meaning given in Condition 10.2.

**Senior Ranking Debt** means the claims of all creditors of the Issuer which would be entitled to be admitted in the Winding-Up of the Issuer other than claims in respect of Equal Ranking Instruments.

**Series** shall have the meaning given in the preamble.

**Solvent** means at any time in respect of the Issuer:

- (a) it is able to pay all its debts as and when they become due and payable; and
- (b) its assets exceed its liabilities,

in each case determined on an unconsolidated stand-alone basis.

**Specified Currency** shall have the meaning given in Condition 2.3.

**Specified Denomination(s)** shall have the meaning given in Condition 2.2.

**Specified Duration** means the period of time specified as such in the applicable Pricing Supplement, or if none is specified, a period of time equal to the relative Interest Period, ignoring any adjustment as a consequence of Condition 6.4.

**Specified Interest Payment Date** means a date specified as such in the applicable Pricing Supplement.

**Specified Maturity** means the period of time specified as such in the applicable Pricing Supplement.

**Specified Office** means, in respect of.

- (a) the Issuer, Level 18, 388 George Street, Sydney NSW 2000;
- (b) the Principal Paying Agent and the Exchange Agent, 160 Queen Victoria Street, London EC4V 4LA;
- (c) the Registrar and the Transfer Agent, 2-4 Eugene Ruppert, Vertigo Building, Polaris, L-2453 Luxembourg;
- (d) the Australian Registrar, 20 Bridge Street, Sydney NSW 2000; and
- (e) any other Agent, such office to be notified to the Noteholders from time to time,

or in any case, such other office as notified to the Noteholders from time to time.

**Specified Period** means a period specified as such in the applicable Pricing Supplement.

**Sterling, £ and GBP** shall each have the meaning given in the preamble.

**sub-unit** means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

**Subsidiary** shall have the meaning given to that term in the Corporations Act and **Subsidiaries** has a corresponding meaning.

**Swiss Franc** and **CHF** shall each have the meaning given in the preamble.

**Talon** shall have the meaning given in the preamble.

**T2 Business Day** means a day on which the real time gross settlement system operated by the Eurosystem, or any successor thereto, is operating credit or transfer instructions in respect of payments in euro.

**Tax Act** means:

- (a) the Income Tax Assessment Act 1936 of Australia, the Income Tax Assessment Act 1997 of Australia or the Taxation Administration Act 1953 of Australia (and a reference to any section of the Income Tax Assessment Act 1936 of Australia includes a reference to that section as rewritten in the Income Tax Assessment 1997 of Australia);
- (b) any other law setting the rate of income tax payable; and
- (c) any regulation made under such laws.

**Tax Authority** means any government, state, municipal, local or other fiscal, revenue, customs or excise authority, body or official, having power to tax.

**Tax Event** means the receipt by the Issuer of an opinion of competent tax counsel to the effect that, as a result of the introduction of, or amendment or clarification to, or change in, or change in the interpretation of (or an announcement that there will be an introduction of, amendment or clarification to or change in) a law or regulation by any legislative body, court, governmental agency or regulatory authority in a relevant jurisdiction after the Issue Date, there is more than an insubstantial risk that:

- (a) the Issuer would be required to pay additional amounts as provided or referred to in Condition 11;
- (b) the Issuer would be exposed to more than a de minimis increase in its costs in relation to the Capital Notes (which costs shall include a reduction in its franking account balance on account of an increase in the rate of franking attaching to the Capital Notes) as a result of the application of any laws relating to any taxes or duties (or other governmental charges or civil liabilities relating to taxation); or
- (c) any interest payment would not be a frankable dividend or distribution within the meaning of Division 202 of the Tax Act,

provided that on the Issue Date the Issuer did not expect that the matters giving rise to the Tax Event would occur.

**Taxes** means taxes, levies, imposts, charges and duties (including stamp and transaction duties) imposed by any authority together with any related interest, penalties, fines and expenses in connection with them, except if imposed on, or calculated having regard to, the net income of the Noteholder.

**Tier 1 Capital** means Tier 1 capital as defined by APRA from time to time.

**Third Conversion Condition** has the meaning given in Condition 7.9.

**Trading Day** means any day:

- (a) which is a Scheduled Trading Day; and
- (b) on which the Ordinary Shares:

- (i) are not suspended from trading on ASX (excluding any intra-day trading halt which the Issuer reasonably considers has not materially affected the VWAP on that day) or such other principal exchange on which the Ordinary Shares are then listed; and
- (ii) have traded at least once on ASX.

**Tranche** shall have the meaning given in the preamble.

**Transfer Agents** shall have the meaning given in the preamble.

**Transfer Certificate** shall have the meaning given in Condition 3.10.

**Transfer Form** means a form available from the Australian Registrar or such other form as the Issuer may determine from time to time and notify to the holders of Australian Domestic Notes.

**Treaty** means the Treaty establishing the European Community, as amended.

**U.S. Dollar, U.S.\$ and USD** shall each have the meaning given in the preamble.

**VWAP** means the average of the daily volume weighted average prices (in AUD) of Ordinary Shares traded on ASX during the relevant VWAP Period, subject to any adjustments made under Condition 8 (such average being rounded to the nearest full Australian cent) (and, where the Specified Currency is not AUD, with each such daily price converted into the Specified Currency on the basis of:

- (a) where the Specified Currency is USD, the noon buying rate in New York City for cable transfers of Australian dollars as certified for customs purposes by the Federal Reserve Bank of New York; or
- (b) where the Specified Currency is not AUD or USD, the rates to be determined in the manner set out in the applicable Pricing Supplement,

in each case expressed in units of the Specified Currency per A\$1.00) but does not include any "Crossing" transacted outside the "Open Session State" or any "Special Crossing" transacted at any time, each as defined in the ASX Settlement Operating Rules, or any overseas trades pursuant to the exercise of options over Ordinary Shares.

**VWAP Period** means, unless otherwise specified in the applicable Pricing Supplement:

- (a) in the case of the Issue Date VWAP, the period of five Trading Days immediately preceding (but not including) the Issue Date; or
- (b) otherwise, the period of five Trading Days immediately preceding (but not including) the Conversion Date.

**Winding-Up** means, in relation to the Issuer, a winding-up by a court of competent jurisdiction under applicable law (which, in the case of Australia, includes the Corporations Act) and the terms **Wind-Up** and **Wound-Up** shall, when used in relation to the Issuer, have corresponding meanings.

**Written-Off** shall have the meaning given in Condition 7.3 and **Write-Off** has a corresponding meaning.

## 22.2 Interpretation

- (a) Unless otherwise specified, a reference to a Condition is a reference to a provision of these Conditions.
- (b) Headings and boldings are for convenience only and do not affect the interpretation of these Conditions.
- (c) The singular includes the plural and vice versa.

- For personal use only
- (d) A reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them and references to the law includes statutes, ordinances, directives or common law and principles of equity having general application.
  - (e) A reference to the "Corporations Act" as it relates to the Issuer is to that Act as may be modified in relation to the Issuer by ASIC.
  - (f) Unless otherwise specified, a period of time dating from a given day or the day of an act or event is to be calculated exclusive of that day.
  - (g) A day is to be interpreted as the period of time commencing at midnight and ending 24 hours later.
  - (h) Any reference to any requirements of APRA or any other prudential regulatory requirements in these Conditions will apply or be operative with respect to the Issuer only if the Issuer is an entity, or the holding company of an entity, or is a direct or indirect subsidiary of a holding company, which is subject to regulation and supervision by APRA at the relevant time.
  - (i) Any requirement for APRA's consent or approval in any provision of these Conditions will apply only if APRA requires that such consent or approval be given at the relevant time.
  - (j) Where, under these Conditions, APRA's approval is required for any act to be done or not done, that term does not imply that APRA's approval has been given as at the Issue Date.
  - (k) A reference to any term defined by APRA shall, if that term is replaced or superseded in any of APRA's applicable prudential regulatory requirements or standards, be taken to be a reference to the replacement or equivalent term.
  - (l) A reference to an agreement, deed or instrument (including these Conditions) includes a reference to that agreement, deed or instrument as amended, added to or restated from time to time.
  - (m) The words "includes" or "including", "for example" or "such as" do not exclude a reference to other items, whether of the same class or genus or not.
  - (n) All references to the records of Euroclear and Clearstream, Luxembourg shall be to the records that each of Euroclear and Clearstream, Luxembourg holds for its customers which reflect the amount of such customers' interests in the Capital Notes.
  - (o) For the purposes of Condition 18.3, in determining whether an amendment is not materially prejudicial to the interests of Noteholders as a whole, the taxation and regulatory capital consequences to Noteholders (or any class of Noteholders) and other special consequences which are personal to a Noteholder (or any class of Noteholders) do not need to be taken into account.

## SCHEDULE 2 – DESCRIPTION OF THE COMMERCIAL PARTICULARS OF THE CAPITAL NOTES

The following is extracted from the Pricing Supplement for the Capital Notes dated 15 May 2026, which supplements the Offering Circular.

---

### PRICING SUPPLEMENT – CAPITAL NOTES

**UK 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 Capital Notes has led to the conclusion that: (i) the target market for the Capital Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**UK MiFIR**”); and (ii) all channels for distribution of the Capital Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Capital Notes (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 is responsible for undertaking its own target market assessment in respect of the Capital Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

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

**UK PRIIPs Regulation – Prohibition of sales to United Kingdom retail investors** – The Capital Notes 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 (“**UK**”). 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 UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**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 Capital Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Capital Notes or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

**SINGAPORE SECURITIES AND FUTURES ACT PRODUCT CLASSIFICATION** – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001 of Singapore (the “**SFA**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in section 309A of the SFA) that the Capital Notes are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

The Capital Notes are complex financial instruments intended for issue and sale solely to professional and sophisticated investors who have the skill and experience necessary to make their own investigations and analysis of the risks involved in investments in instruments of that kind and of the Issuer without the need for

disclosure to investors under the Corporations Act 2001 (Cth) of Australia (“**Corporations Act**”). If you are not such an investor, then the Capital Notes are not a suitable investment for you. If in any doubt, consult your financial adviser. The Capital Notes are not for distribution to any person in Australia who is a retail client for the purposes of section 761G of the Corporations Act. No target market determination has been or will be made for the purposes of Part 7.8A of the Corporations Act.

15 May 2026

**QBE Insurance Group Limited (ABN 28 008 485 014)**

**Legal entity identifier (LEI): 549300D2FBW76FPUSG65**

**Issue of A\$500,000,000 Perpetual Floating Rate Capital Notes  
under the Note Issuance Programme**

### **PART A—CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Capital Notes (the “**Conditions**”) set forth in the Offering Circular dated 31 March 2026 (the “**Offering Circular**”). This document constitutes the Pricing Supplement for the Capital Notes described herein and must be read in conjunction with the Offering Circular. Full information on the Issuer and the offer of the Capital Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. The Offering Circular is available on the website of Singapore Exchange Securities Trading Limited (“**SGX-ST**”) ([www.sgx.com](http://www.sgx.com)) and during normal business hours from the registered office of the Issuer and the specified office of the Principal Paying Agent. In the case of Capital Notes listed on the SGX-ST, the applicable Pricing Supplement will also be published on the website of the SGX-ST.

1.
  - (a) Series Number: 11
  - (b) Tranche Number: 1
  - (c) Borrowing office of the Issuer outside Australia through which the Capital Notes are issued: Not Applicable
2. Specified Currency or Currencies: Australian dollars (“**A\$**”)
3. Aggregate Nominal Amount:
  - (a) Series: A\$500,000,000
  - (b) Tranche: A\$500,000,000
4. Issue Price: 100 per cent. of the Nominal Amount of the Tranche
5.
  - (a) Specified Denominations: A\$1,000, provided that the minimum aggregate consideration payable for the Capital Notes will be A\$500,000 (or its equivalent in an alternative currency and disregarding any monies lent by the Issuer or its associates per offeree) unless the Capital Notes are otherwise offered in a manner that does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act.
  - (b) Calculation Amount: A\$1,000
6.
  - (a) Issue Date: 19 May 2026

	(b) Interest Commencement Date:	19 May 2026
7.	Interest Basis:	Floating Rate. The Rate of Interest specified in paragraph 11(a)
8.	Change of Interest Basis:	Not Applicable
9.	(a) Status of the Notes:	Subordinated (Capital Notes)
	(b) Date Board approval for issuance of Capital Notes obtained:	8-10 October 2025

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

10.	Fixed Rate Note Provisions:	Not Applicable
11.	Floating Rate Note Provisions:	Applicable
	(a) Rate(s) of Interest	For an Interest Period, the aggregate of the BBSW Rate + Margin (such aggregate amount as adjusted by the Franking Adjustment Factor in accordance with Condition 4.7)
	(b) Specified Period(s)/Specified Interest Payment Dates:	19 May and 19 November in each year, commencing on 19 November 2026, subject to adjustment in accordance with the Business Day Convention set out in paragraph (c) below
	(c) Business Day Convention:	Modified Following Business Day Convention
	(d) Additional Business Centre(s):	Not Applicable
	(e) Manner in which the Rate of Interest and Interest Amount is to be determined:	BBSW Determination
	(f) Benchmark Rate	BBSW Rate
	(g) Party responsible for calculating the Rate of Interest and Interest Amount:	Australian Calculation Agent
	(h) Relevant Financial Centre:	Sydney
	(i) Relevant Time:	Not Applicable
	(j) Screen Rate Determination:	Not Applicable
	(k) ISDA Determination:	Not Applicable
	(l) BBSW Determination:	Applicable
	(i) Specified Maturity:	Not Applicable
	(m) Linear Interpolation:	Not Applicable

(n)	Margin(s):	+ 2.50 per cent. per annum
(o)	Day Count Fraction:	Actual/365 (Fixed)
(p)	Franking adjustments	Condition 4.7 applies

#### PROVISIONS RELATING TO CONVERSION AND WRITE-OFF

12.	Additional provision for currency conversion where not all Relevant Tier 1 Capital Instruments are in the same Specified Currency (Condition 7.2(c)):	Condition 7.2(c) applies
13.	Specification of Conversion or Write-Off (Condition 7.3):	Conversion
14.	Scheduled Mandatory Conversion	Condition 7.8 applies
	Scheduled Mandatory Conversion Date	19 May 2036
15.	Acquisition Event Conversion	Condition 7.11 applies
16.	Scheduled Optional Conversion	Condition 7.13 applies
	Scheduled Optional Conversion Date	19 May 2033, 19 November 2033 and 19 May 2034
17.	Issue to nominee (Condition 8.12):	Applicable
18.	VWAP Period:	As specified in the Conditions

#### PROVISIONS RELATING TO REDEMPTION

19.	Redemption for Tax Event or Regulatory Event (Condition 10.1):	Applicable
20.	Issuer Call:	Applicable
21.	Optional Redemption Date(s):	19 May 2033, 19 November 2033 and 19 May 2034
22.	Redemption Amount:	A\$1,000 per Calculation Amount

#### GENERAL PROVISIONS APPLICABLE TO THE CAPITAL NOTES

23.	Form of Capital Notes:	Australian Domestic Notes  Dematerialised Notes in respect of the Specified Denomination registered in the name of Austraclear Ltd (ABN 94 002 060 773)
24.	Principal Financial Centre:	Sydney
25.	Additional Financial Centre(s):	Not Applicable

26. Talons for future Coupons to be attached to Definitive Bearer Notes: No
27. Additional exceptions to Condition 11.3: Not Applicable
28. Other amendments: The Conditions are amended as set out in the Annexure to this Pricing Supplement.

## PART B—OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

Not Applicable.

### 2. RATINGS

Ratings: The Capital Notes are expected to be rated:

S&P: BBB

Fitch: BBB

*A credit rating is not a recommendation to buy, sell or hold Capital Notes and may be subject to revision, suspension or withdrawal at any time by the relevant rating agency.*

*Credit ratings are for distribution only to a person (a) who is not a “retail client” within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and anyone who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.*

### 3. OPERATIONAL INFORMATION

- (i) ISIN: AU3FN0110086
- (ii) Common Code: 337980112
- (iii) Legal Entity Identifier (LEI): 549300D2FBW76FPUSG65
- (iv) Clearing system(s): Austraclear, Euroclear and Clearstream
- (v) Austraclear identification number: CORS20
- (vi) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg, DTC: Not Applicable

and Austraclear, and the relevant identification number(s):

- (vii) Delivery: Delivery against payment
- (viii) Name(s) and address(es) of additional Paying Agent(s) (if any): Not Applicable
- (ix) Deemed delivery of clearing system notices for the purposes of Condition 17: Not Applicable

#### 4. DISTRIBUTION

- (i) Method of distribution: Syndicated
- (ii) Name(s) of Manager(s) / relevant Dealer(s):
  - Barrenjoey Markets Pty Limited (ABN 66 636 976 059)
  - Australia and New Zealand Banking Group (ABN 11 005 357 522)
  - Barclays Bank PLC
  - Commonwealth Bank of Australia (ABN 48 123 123 124)
  - National Australia Bank Limited (ABN 12 004 044 937)
  - Westpac Banking Corporation (ABN 33 007 457 141)
- (iii) Stabilisation Manager(s) if any: Not Applicable
- (iv) Date of Subscription Agreement: 15 May 2026
- (v) U.S. Selling Restrictions (Categories of potential investors to which the Capital Notes are offered): Reg. S Compliance Category 2
- (vi) Singapore Sales to Institutional Investors and Accredited Investors only: Applicable
- (vii) Prohibition of sales to UK retail investors: Applicable

## SCHEDULE 3 – DESCRIPTION OF RIGHTS AND LIABILITIES ATTACHING TO THE ORDINARY SHARES IN THE ISSUER

The following is an extract from the section entitled “Description of the Ordinary Shares” from the Offering Circular.

---

### ***Voting rights***

Subject to any rights or restrictions attached to any shares or class of shares, a registered holder of an Ordinary Share (“**Member**”) is entitled to attend and vote at a general meeting of the Issuer. Any resolution being considered at a general meeting is decided on a show of hands unless a poll is held. On a show of hands, each Member present has one vote, except in the case of joint holders, where only the vote of the person named first in the register is counted.

On a poll, each Member has one vote for each Ordinary Share. Partly paid Ordinary Shares confer that fraction of a vote which is equal to the proportion which the amount paid bears to the total issue price of the Ordinary Share.

Voting rights may be restricted by applicable law and ASX Listing Rules in certain circumstances — see “*Risks Factors—Restrictions on holding and trading Ordinary Shares and Notes*” above.

### ***No rights to redemption***

Members have no right to require the redemption of any Ordinary Shares they hold.

### ***Notices to Members***

Each Member is entitled to receive notices, financial statements and other documents required to be sent to Members under the Constitution, Corporations Act and ASX Listing Rules.

### ***Dividend entitlement***

Subject to the Corporations Act, the Constitution and the terms of issue of Ordinary Shares, the Board may resolve to pay dividends on Ordinary Shares.

### ***Rights of Members on a winding-up of the Issuer***

In a winding-up of the Issuer, the liquidator may distribute in specie the whole or any part of the Issuer's property among the Members.

### ***Transfer of Ordinary Shares***

Ordinary Shares may be transferred by any means permitted by the Constitution, or by law. The Issuer may in limited circumstances decline to register a transfer where permitted or required to do so under the ASX Listing Rules or the ASX Settlement Operating Rules.

### ***Limitations on ownership***

There are detailed Australian laws and regulations which govern the acquisition of interests in the Issuer, and a summary of these is described in “*Risks Factors — Restrictions on holding and trading Ordinary Shares and Notes*”, above. The Constitution also contains certain limitations on the rights to own securities in the Issuer, such as providing that the Issuer will not, in certain circumstances, recognise a person as holding an Ordinary Share on any trust, and prescribing limitations in respect of joint holders of Ordinary Shares. The Constitution also provides rights for the Issuer, subject to certain conditions, to compulsorily dispose of parcels of Ordinary Shares worth less than A\$500.

### ***Issues of further shares***

Subject to the Constitution, the Corporations Act and the ASX Listing Rules, the Board may issue or grant options in respect of Ordinary Shares on such terms as the Board decides. The Board may also issue preference shares, including redeemable preference shares, or convertible notes with preferred, deferred or

special rights or restrictions in relation to dividends, voting, return of capital and participation in surplus on a winding-up of the Issuer.

**Variation of rights**

The Issuer may modify or vary the rights attaching to any class of shares with the consent in writing of the holders of three-fourths of the issued shares of that class; or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class.

**Issued capital**

As at 31 January 2026, the Issuer has 1,505,558,631 Ordinary Shares on issue, all of which are fully paid. As at the date of this Offering Circular, the Ordinary Shares are listed on the ASX. See [www.asx.com.au](http://www.asx.com.au).

\* \* \* \* \*

For personal use only