



بنك الخليج الدولي

GULF INTERNATIONAL BANK B.S.C.

(incorporated in Bahrain by an Amiri Decree)

U.S.\$2,500,000,000

Euro Medium Term Note Programme

Under the U.S.\$2,500,000,000 Euro Medium Term Note Programme described in this Base Prospectus (the "**Programme**"), Gulf International Bank B.S.C. (the "**Issuer**" or "**GIB**") may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes (the "**Notes**") on the terms set out herein under "*Terms and Conditions of the Notes*" (the "**Conditions**") as completed by a document specific to such Notes called the final terms (the "**Final Terms**") or, in the case of Exempt Notes (as defined below), the pricing supplement (the "**Pricing Supplement**"), which may replace or modify the Conditions applicable to such Notes.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "*Overview of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Issuer (each, a "**Dealer**" and together, the "**Dealers**"), which appointment may be for a specific issue or for the purposes of the Programme. References in this Base Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under "Risk Factors" below.

This Base Prospectus has been approved by the United Kingdom Financial Conduct Authority (the "**FCA**") as competent authority under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK Prospectus Regulation**"). The FCA has only approved this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such an approval should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of any Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in such Notes. This Base Prospectus is valid for a period of 12 months from the date of approval.

Application has been made to the FCA in its capacity as competent authority under Part VI of the Financial Services and Markets Act 2000, as amended (the "**FSMA**") for Notes issued under the Programme (other than Exempt Notes (as defined below)) during the period of 12 months from the date of this Base Prospectus to be admitted to the official list of the FCA (the "**Official List**") and to the London Stock Exchange plc (the "**London Stock Exchange**") for such Notes to be admitted to trading on the London Stock Exchange's main market (the "**Main Market**"). References in this Base Prospectus to Notes (other than Exempt Notes) being "**listed**" (and all related references) shall mean that such Notes have been admitted to the Official List and have been admitted to trading on the Main Market. The Main Market is a United Kingdom ("**UK**") regulated market for the purposes of Regulation (EU) No 600/2014 on markets in financial instruments as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**").

Notes may be issued in bearer form or registered form (respectively, "**Bearer Notes**" and "**Registered Notes**"). Each Tranche (as defined herein) of Bearer Notes will initially be in the form of either a temporary global note in bearer form ("**Temporary Global Note**") or a permanent global note in bearer form ("**Permanent Global Note**"), in each case as specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Note**") will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and/or any other relevant clearing system. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), for Bearer Notes in definitive form ("**Definitive Notes**") in accordance with its terms. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Each Tranche of Registered Notes will be in the form of either individual Note Certificates in registered form ("**Individual Note Certificates**") or a global Note in registered form (a "**Global Registered Note**"), in each case as specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement. Each Global Registered Note will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and registered in the name of a nominee for such depositary and will be exchangeable for Individual Note Certificates in accordance with its terms.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and Bearer Notes are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) (see "*Subscription and Sale*").

The Programme has been rated Baa1 by Moody's Investors Service Cyprus Limited ("**Moody's**") and A- by Fitch Ratings Limited ("**Fitch**"). The Issuer has been assigned a senior unsecured debt rating of Baa1 (long term) and P-2 (short term) with a positive outlook by Moody's and a rating of A- (long term) and F2 (short term) with a stable outlook by Fitch. The government of the Kingdom of Saudi Arabia has been assigned ratings of A1 with a stable outlook by Moody's Investors Service Singapore Pte. Limited, A with a positive outlook by S&P Global Ratings Europe Limited ("**S&P**") and A+ with a stable outlook by Fitch.

Each of Moody's and S&P are established in the European Economic Area ("**EEA**") and are registered under Regulation (EC) No 1060/2009 (as amended) (the "**CRA Regulation**"). As such, each of Moody's and S&P are included in the list of registered credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at <https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>) in accordance with the CRA Regulation. Each of Moody's and S&P are not established in the UK and have not applied for registration under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA (the "**UK CRA Regulation**"). Accordingly, the ratings issued by Moody's and S&P have been endorsed by Moody's Investors Service Ltd and S&P Global Ratings UK Limited, respectively, in accordance with the UK CRA Regulation, and have not been withdrawn. Each of Moody's Investors Service Ltd and S&P Global Ratings UK Limited is established in the UK and is registered under the UK CRA Regulation. Fitch is established in the UK and is registered under the UK CRA Regulation. Fitch is not established in the EEA and has not applied for registration under the CRA Regulation. Accordingly, the rating issued by Fitch has been endorsed by Fitch Ratings Ireland Limited in accordance with the CRA Regulation and has not been

withdrawn. Fitch Ratings Ireland Limited is established in the EEA and registered under the CRA Regulation. As such, Fitch Ratings Ireland Limited is included in the list of registered credit rating agencies published by the ESMA on its website (at <https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>) in accordance with the CRA Regulation. Moody's Investors Service Singapore Pte. Limited is not established in the EEA or the UK and has not applied for registration under the CRA Regulation or the UK CRA Regulation. The rating has been endorsed by Moody's Investors Service Limited and Moody's in accordance with the UK CRA Regulation and the CRA Regulation, respectively.

The rating of certain Tranches of Notes to be issued under the Programme and the credit rating agency issuing such rating may be specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction, change or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating.

The requirement to publish a prospectus under the UK Prospectus Regulation only applies to Notes which are to be admitted to trading on a UK regulated market for the purposes of UK MiFIR and/or offered to the public in the UK other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the UK Prospectus Regulation. The Programme permits Notes to be issued on the basis that they will not be admitted to listing, trading on a UK regulated market for the purposes of UK MiFIR or on the basis that Notes may be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed between the Issuer and the relevant Dealer ("**Exempt Notes**") and, accordingly, no base prospectus will be required to be produced in accordance with the UK Prospectus Regulation. The FCA has neither reviewed nor approved the information contained in this Base Prospectus in relation to the Exempt Notes. Any terms and conditions not contained herein which are applicable to each Tranche of Exempt Notes will be set out in the relevant Pricing Supplement.

Arranger

GIB Capital
Dealers

Citigroup
GIB Capital
J.P. Morgan

SMBC Nikko

First Abu Dhabi Bank P.J.S.C.
HSBC
Mizuho

IMPORTANT NOTICES

This Base Prospectus comprises a base prospectus for the purposes of Article 8 of the UK Prospectus Regulation and for the purpose of giving information with regard to the Issuer and with regard to the Issuer and its subsidiaries, taken as a whole (the "**GIB Group**") and the Notes which, according to the particular nature of the Issuer, the GIB Group and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer and the rights attached to the Notes and the reasons for the issuance of such Notes.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms (as defined below) or, in the case of Exempt Notes, the Pricing Supplement (as defined below) for each Tranche (as defined below) of Notes issued under the Programme and declares that to the best of its knowledge, the information contained in this Base Prospectus is in accordance with the facts and the Base Prospectus makes no omission likely to affect its import. Where information has been extracted from third party sources, the Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from such information published by the relevant third party source, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of any third party information contained in this Base Prospectus is stated where such information appears in this Base Prospectus.

Each Tranche of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" as completed by the relevant Final Terms or, in the case of Exempt Notes, as completed, modified and/or supplemented by the relevant Pricing Supplement. In the case of a Tranche of Notes which is the subject of a Pricing Supplement, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Pricing Supplement unless the context requires otherwise. This Base Prospectus must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein (see "*Information Incorporated by Reference*") and, in relation to any Tranche of Notes, must be read and construed together with the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement.

Copies of the relevant Final Terms will be available from the registered office of the Issuer and the specified office set out below of the Fiscal Agent (as defined below) save that, if the relevant Notes are neither admitted to trading on a UK regulated market nor offered in the United Kingdom in circumstances where a prospectus is required to be published under the UK Prospectus Regulation, the relevant Pricing Supplement will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer or, as the case may be, the Fiscal Agent as to its holding of such Notes and identity.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Arranger or any Dealer.

None of the Arranger, the Dealers or any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus or any information incorporated by reference in this Base Prospectus, or for any other statement made, or purported to be made, by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes or any responsibility for the acts or omissions of the Issuer or any other person (other than the relevant Dealer) in connection with the issue and offering of the Notes. Neither the delivery of this Base Prospectus, any Final Terms or, in the case of Exempt Notes, any Pricing Supplement nor any other information supplied in connection with the Programme or any Notes: (i) is intended to provide the basis of any credit or other evaluation; or (ii) should be considered as a recommendation by the Issuer, the Arranger, the Dealers or Agents that any recipient of this Base Prospectus or any Final Terms or, in the case of Exempt Notes, any Pricing Supplement or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus, any Final Terms or, in the case of Exempt Notes, any Pricing Supplement, nor any other information supplied in connection with the Programme or

the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus or any Final Terms or, in the case of Exempt Notes, any Pricing Supplement, nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

The distribution of this Base Prospectus and any Final Terms or, in the case of Exempt Notes, any Pricing Supplement and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms or Pricing Supplement (as the case may be) comes are required by the Issuer, the Arranger and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms or any Pricing Supplement (as the case may be) and other offering material relating to the Notes, see "*Subscription and Sale*".

The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and as specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. The minimum denomination of each Note shall be EUR100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency as at the date of the issue of the Notes).

Neither this Base Prospectus nor any Final Terms nor, in the case of Exempt Notes, any Pricing Supplement constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Arranger, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms or any Pricing Supplement (as the case may be) should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms or any Pricing Supplement (as the case may be) shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the terms of the Notes being offered, including the merits and risks involved.

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed U.S.\$2,500,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into U.S. dollars at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Dealer Agreement as defined under "*Subscription and Sale*"). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;

- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

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

The requirement to publish a base prospectus under the UK Prospectus Regulation only applies to Notes which are to be admitted to trading on a UK regulated market for the purposes of UK MiFIR and/or offered to the public in the UK other than in circumstances where an exemption is available under Articles 1(4) and/or 3(2) of the UK Prospectus Regulation. References in this Base Prospectus to "**Exempt Notes**" are to Notes issued by the Issuer for which no base prospectus is required to be published under the UK Prospectus Regulation or under the FSMA. Exempt Notes do not form part of this Base prospectus for the purposes of the UK Prospectus Regulation and the FCA has neither approved nor reviewed information contained in this Base Prospectus in connection with Exempt Notes.

STABILISATION

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the stabilisation manager(s) in the relevant Final Terms or Pricing Supplement (the "**Stabilisation Manager**") (or persons acting on behalf of any Stabilisation Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes during the stabilisation period at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager(s) (or persons acting on behalf of the Stabilisation Manager(s)) in accordance with all applicable laws, regulations and rules.

NOTICE TO RESIDENTS OF THE KINGDOM OF BAHRAIN

In relation to investors in the Kingdom of Bahrain, Notes issued in connection with this Base Prospectus and related offering documents must only be offered in registered form to existing account holders and accredited investors (each as defined by the Central Bank of Bahrain ("**CBB**") in the Kingdom of Bahrain where such investors make a minimum investment of at least U.S.\$100,000 or the equivalent amount in any other currency or such other amount as the CBB may determine.

This offer does not constitute an offer of securities in the Kingdom of Bahrain pursuant to the terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This Base Prospectus and any related offering documents have not been and will not be registered as a Base Prospectus with the CBB. Accordingly, no Notes may be offered, sold or made the subject of an invitation for subscription or purchase nor will this Base Prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase Notes, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than as marketing to accredited investors (as such term is defined by the CBB) for an offer outside the Kingdom of Bahrain.

A copy of this Base Prospectus has been delivered to the CBB. However, the CBB has not reviewed, approved or registered this Base Prospectus or any related offering documents and it has not in any way considered the merits of the Notes to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this Base Prospectus and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this Base Prospectus. No offer of Notes will be made to the public in the Kingdom of Bahrain and this Base Prospectus must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA

This Base Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the "**Capital Market Authority**").

The Capital Market Authority does not make any representations as to the accuracy or completeness of this Base Prospectus, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Base Prospectus. Prospective purchasers of the Notes should conduct their own due diligence on the accuracy of the information relating to the Notes. If you do not understand the contents of this Base Prospectus, you should consult an authorised financial adviser.

NOTICE TO RESIDENTS OF THE STATE OF QATAR

The Notes will not be offered, sold or delivered, at any time, directly or indirectly, in the State of Qatar (including the Qatar Financial Centre) in a manner that would constitute a public offering. This Base Prospectus has not been and will not be reviewed or approved by, or registered with, the Qatar Central Bank, the Qatar Stock Exchange, the Qatar Financial Centre Regulatory Authority or the Qatar Financial Markets Authority in accordance with their regulations or any other regulations in the State of Qatar (including the Qatar Financial Centre). The Notes are not and will not be traded on the Qatar Stock Exchange. The Notes and interests therein will not be offered to investors domiciled or resident in the State of Qatar (including the Qatar Financial Centre) and do not constitute debt financing in the State of Qatar (including the Qatar Financial Centre) under the Commercial Companies Law No. (11) of 2015 or otherwise under the laws of the State of Qatar (including the Qatar Financial Centre).

IMPORTANT – PROHIBITION OF SALES TO EEA RETAIL INVESTORS

If the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement, in respect of any Series of Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the EEA. For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – PROHIBITION OF SALES TO UK RETAIL INVESTORS

If the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement, in respect of any Series of Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the UK. For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No. 1286/2014 as it forms part

of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the PRIIPs Regulation.

MiFID PRODUCT GOVERNANCE / TARGET MARKET

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

A determination will be made in relation to each issue of Notes about whether, for the purpose of the MiFID Product Governance Rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET

The relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement, in respect of any Series of Notes will include a legend entitled "**UK MiFIR Product Governance**" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 (2020 REVISED EDITION) OF SINGAPORE

In connection with Section 309B(1) of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore (as modified or amended from time to time, the "**SFA**"), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial Information

The Issuer's audited consolidated financial statements as at and for the year ended 31 December 2022 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") issued by the International Accounting Standards Board.

The Issuer's audited consolidated financial statements as at and for the year ended 31 December 2021 have been prepared in accordance with IFRS as modified by the CBB ("**IFRS Modified**") and therefore have not been prepared in accordance with UK-adopted international accounting standards.

IFRS Modified and UK-adopted international accounting standards differ on the accounting rules used on modification of financial assets as follows (which is also detailed in note 2.1 to the Issuer's audited consolidated financial statements as at and for the financial year ended 31 December 2021):

- a) modification losses on financial assets arising from payment holidays provided to customers impacted by COVID-19 are recognised, without charging additional interest, in equity under IFRS Modified instead of profit or loss as required under IFRS by IFRS 9 'Financial Instruments'; and
- b) financial assistance received from the government and / or regulators in response to its COVID-19 support measures, and meeting the government grant requirements, is recognised in equity under IFRS Modified instead of profit or loss under IFRS. This will only be to the extent of any modification loss recorded in equity as a result of (a) above, and the balance amount to be recognised in profit or loss.

The above accounting rule modifications did not have a material impact on the Issuer's audited consolidated financial statements as at and for the year ended 31 December 2021. Accordingly, there would not be any material differences in the financial information had UK-adopted international accounting standards been applied to the Issuer's audited consolidated financial statements as at and for the year ended 31 December 2021.

The unaudited condensed interim consolidated financial statements of the Issuer as at and for the three months ended 31 March 2023 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34").

Unless otherwise stated, the financial information as at and for the year ended 31 December 2022 has been extracted from the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2022 and the financial information as at and for the years ended 31 December 2021 and 31 December 2020 has been extracted from the audited consolidated financial statements of the Issuer as at and for the year ended 31 December 2021. In addition, the financial information as at and for the three months ended 31 March 2023 and the three months ended 31 March 2022 has been extracted from the unaudited condensed interim consolidated financial statements of the Issuer as at and for the three months ended 31 March 2023.

Certain Defined Terms

Capitalised terms which are used but not defined in any section of this Base Prospectus will have the meaning attributed thereto in the Conditions or any other section of this Base Prospectus. In addition, the following terms as used in this Base Prospectus have the meanings defined below:

- references to "**Bahrain**" are to the Kingdom of Bahrain; and
- references to a "**Member State**" are references to a Member State of the EEA.

Certain Conventions

In this Base Prospectus, unless otherwise specified, references to "**U.S.\$**" or "**U.S. dollars**" are to the lawful currency of the United States of America, references to "**Sterling**" are to the lawful currency of the UK, references to "**EUR**" and "**euro**" are to the single currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended, references to "**Bahrain dinar**" are to the lawful currency of the Kingdom of Bahrain and references to "**SAR**" and "**Saudi riyals**" are to the lawful currency of the Kingdom of Saudi Arabia.

Certain amounts (including percentages) included in this Base Prospectus may have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures to which they relate.

Use of Benchmarks

Amounts payable under the Notes may be calculated by reference to:

- EURIBOR (as defined in the Conditions), which is provided by the European Money Markets Institute;
- SHIBOR (as defined in the Conditions), which is provided by the National Interbank Funding Centre;

- HIBOR (as defined in the Conditions), which is provided by the Hong Kong Association of Banks;
- SIBOR (as defined in the Conditions), which is provided by the ABS Benchmarks Administration Co Pte Ltd;
- EIBOR (as defined in the Conditions), which is provided by the UAE Central Bank;
- SAIBOR (as defined in the Conditions), which is provided by Refinitiv Benchmark Services (UK) Limited;
- BBSW (as defined in the Conditions), which is provided by ASX Benchmarks Pty Limited;
- PRIBOR (as defined in the Conditions), which is provided by the Czech Financial Benchmark Facility s.r.o.;
- TRLIBOR or TRYLIBOR (as defined in the Conditions), which is provided by the Banks Association of Turkey;
- TIBOR (as defined in the Conditions), which is provided by the Japanese Bankers Association;
- MIBOR (as defined in the Conditions), which is provided by the National Stock Exchange of India;
- BKBM (as defined in the Conditions), which is provided by the New Zealand Financial Markets Association;
- BHIBOR (as defined in the Conditions), which is provided by the Bahrain Association of Banks;
- KIBOR (as defined in the Conditions), which is provided by the Central Bank of Kuwait;
- QIBOR (as defined in the Conditions), which is provided by the Qatar Central Bank;
- OMIBOR (as defined in the Conditions), which is provided by Central Bank of Oman;
- SONIA or SONIA Compounded Index, (each as defined in the Conditions), each of which is provided by the Bank of England;
- SOFR or SOFR Compounded Index (each as defined in the Conditions), each of which is provided by the Federal Reserve Bank of New York; and
- €STR (as defined in the Conditions), which is provided by the European Central Bank,

each such provider (or, as the case may be, any successor provider) together referred to as the "**Administrators**".

As at the date of this Base Prospectus, the European Money Markets Institute and ABS Benchmarks Administration Co Pte Ltd appear on the register of administrators and benchmarks established and maintained by the FCA pursuant to Article 36 of Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**"). As at the date of this Base Prospectus, the Administrators (other than the European Money Markets Institute and ABS Benchmarks Administration Co Pte Ltd) do not appear on the FCA's register of administrators and benchmarks under the UK Benchmarks Regulation. As far as the Issuer is aware, EIBOR, KIBOR, QIBOR, SONIA, SONIA Compounded Index, SOFR, SOFR Compounded Index and €STR do not fall within the scope of the UK Benchmarks Regulation by virtue of Article 2 of the UK Benchmarks Regulation and the transitional provisions in Article 51 of the UK Benchmarks Regulation apply, such that the Administrators of the remaining benchmarks listed above are not currently required to obtain authorisation or registration (or, if located outside the UK, recognition, endorsement or equivalence).

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OVERVIEW OF THE PROGRAMME

The following overview must be read as an introduction to this Base Prospectus and any decision to invest in any Notes should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference. This general overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, is completed by the relevant Final Terms or, in the case of Exempt Notes, is completed, modified and/or supplemented by the relevant Pricing Supplement. The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only and if appropriate, a new Base Prospectus, a series prospectus or a supplement to this Base Prospectus may be published.

Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this overview.

Issuer:	Gulf International Bank B.S.C.
Issuer's Legal Entity Identifier (LEI)	558600JW2XPMLG97TV14
Description:	Euro Medium Term Note Programme.
Risk Factors:	There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Notes issued under the Programme. These are set out under " <i>Risk Factors</i> " and include market risk arising from adverse changes in market conditions such as interest rate risk, credit spread risk, foreign exchange risk and equity risk. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with the Notes issued under the Programme. These are set out under " <i>Risk Factors</i> " and include certain risks relating to the structure of a particular series of Notes and certain market risks.
Arranger:	GIB Capital (A Single Shareholder Company).
Dealers:	Citigroup Global Markets Limited, First Abu Dhabi Bank P.J.S.C., GIB Capital (A Single Shareholder Company), HSBC Bank plc, J.P. Morgan Securities plc, Mizuho International plc, SMBC Nikko Capital Markets Limited and any other Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes.
Fiscal Agent:	Citibank N.A., London Branch.
Registrar:	Citibank Europe Plc
Listing and Trading:	Application has been made to the FCA for Notes issued under the Programme (other than Exempt Notes) for a period of 12 months from the date of this Base Prospectus to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the Main Market, and references to listing shall be construed accordingly. As specified in the relevant Pricing Supplement, a Series (as defined below) of Notes may be unlisted or be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed between the Issuer and the relevant Dealer (the " Exempt Notes "). The FCA has neither approved

nor reviewed information contained in this Base Prospectus in connection with Exempt Notes.

Clearing Systems:

Euroclear and/or Clearstream, Luxembourg.

Initial Programme Amount:

Up to U.S.\$2,500,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding at any one time. The Issuer may increase the amount of the Programme in accordance with the provisions of the Dealer Agreement.

Issuance in Series:

Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the amount and date of the first payment of interest thereon (if any) and the date from which interest starts to accrue), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (which will comprise, where necessary, the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and principal amount of the Tranche), will be identical to the terms of other Tranches of the same Series and will be completed in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement.

Forms of Notes:

Notes may be issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**"). Registered Notes will not be exchangeable for Bearer Notes and *vice versa*.

Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement. Each Global Note will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), for Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes only in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, one or more Talons for further Coupons.

Each Tranche of Registered Notes will be in the form of either Individual Note Certificates or a Global Registered Note, in each case as specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be). Each Global Registered Note will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and registered in the name of a nominee for such depositary and will be exchangeable for Individual Note Certificates in accordance with its terms.

Currencies:	Notes may be denominated in any currency agreed between the Issuer and the relevant Dealer(s), subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in any currency or currencies other than the currency in which such Notes are denominated.
Status of the Senior Notes:	The Senior Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 5 (<i>Negative Pledge</i>)) unsecured obligations of the Issuer and will rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.
Status of the Subordinated Notes:	The Subordinated Notes will constitute subordinated obligations of the Issuer, ranking <i>pari passu</i> without any preference amongst themselves. In the event of the forced liquidation of the Issuer for the purposes of Article 156 of the Central Bank of Bahrain and Financial Institutions Law, Decree No. 64/2006 (" forced liquidation "), the payment obligations of the Issuer under the Subordinated Notes shall rank after unsubordinated and unsecured creditors of the Issuer but <i>pari passu</i> with all other subordinated obligations of the Issuer that are not expressed to rank junior or senior to the Subordinated Notes and in priority to the claims of all shareholders of the Issuer (including the holders of all preference shares of the Issuer, if any).
Issue Price:	Notes may be issued at their principal amount or at a discount or premium to their principal amount, as specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.
Maturities:	Notes may have any maturity as agreed between the Issuer and the relevant Dealer(s), subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Redemption:	Subject to any purchase and cancellation or early redemption, the Notes shall be redeemable at par.
Optional Redemption:	Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders to the extent (if at all) specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement.
Change of Control:	If so specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement, each Noteholder will have the right to require the redemption of its Notes if a Change of Control occurs. See Condition 9(e)(ii) (<i>Redemption and Purchase – Redemption at the option of Noteholders</i>).
Tax Redemption:	Except as described in " <i>Optional Redemption</i> " and " <i>Change of Control</i> " above, early redemption will only be permitted for tax

reasons as described in Condition 9(b) (*Redemption and Purchase – Redemption for tax reasons*).

Interest: Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.

Denominations: The Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and as specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. The minimum denomination of each Note shall be EUR100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency as at the date of the issue of the Notes).

Negative Pledge: The Senior Notes will have the benefit of a negative pledge as described in Condition 5 (*Negative Pledge*). The Subordinated Notes will not have the benefit of any negative pledge.

Cross Default: The Senior Notes will have the benefit of a cross default as described in Condition 13.1 (*Events of Default – Events of Default for Senior Notes*). The Subordinated Notes will not have the benefit of any cross default.

Taxation: All payments in respect of Notes will be made free and clear of withholding taxes imposed by the Kingdom of Bahrain, unless the withholding is required by law. In that event, the Issuer will (subject as provided in Condition 12 (*Taxation*)) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding been required.

Governing Law: The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law (except for Condition 4(b) (*Status of the Notes – Status of the Subordinated Notes*), which will be governed by, and construed in accordance with, Bahraini law).

Enforcement: In the case of any Global Notes and Global Registered Notes, individual investors' rights against the Issuer will be governed by a Deed of Covenant (as defined below), a copy of which will be available for inspection at the specified office of the Fiscal Agent.

Ratings: The Notes are expected to be rated Baa1 by Moody's and A- by Fitch.

The rating of certain Tranches (as defined herein) of Notes to be issued under the Programme and the credit rating agency issuing such rating may be specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction, change or withdrawal at any time by the assigning rating agency.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory

purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (or are endorsed by an EEA registered credit rating agency certified in accordance with the CRA Regulation or issued by a third country credit rating agency that is certified in accordance with the CRA Regulation).

Investors regulated in the United Kingdom are subject to similar restrictions under the UK CRA Regulation and, as such, are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the United Kingdom and registered under the UK CRA Regulation (or endorsed by a United Kingdom registered credit rating agency or issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation).

Selling Restrictions:

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the EEA, the UK, Switzerland, Japan, Singapore, Bahrain, the Kingdom of Saudi Arabia, the United Arab Emirates (excluding the Dubai International Financial Centre and the Abu Dhabi Global Market), the Dubai International Financial Centre and the State of Qatar (including the Qatar Financial Centre), see "*Subscription and Sale*".

The Bearer Notes will be issued in compliance with U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(D) (or any substantially identical successor U.S. Treasury Regulations section including, without limitation, substantially identical successor regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the "**D Rules**") unless: (i) the relevant Final Terms or the relevant Pricing Supplement (as the case may be) states that Notes are issued in compliance with U.S. Treasury Regulations Section 1.163-5(c)(2)(i)(C) (or any substantially identical successor U.S. Treasury Regulations section including, without limitation, substantially identical successor regulations issued in accordance with 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (the "**C Rules**"); or (ii) the Bearer Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as a transaction to which TEFRA is not applicable.

Waiver of Immunity:

The Issuer has acknowledged in the Deed of Covenant, the Agency Agreement and the Notes that to the extent that it may in any jurisdiction claim for itself or its assets or revenues (presently owned or subsequently acquired or generated, and whether related to the Notes or not) immunity from suit, execution, attachment (whether in aid of execution, before judgment or award or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to it or its assets or revenues (presently owned or subsequently acquired or generated, and whether related to the Notes or not), the Issuer has agreed in the Deed of Covenant, the Agency Agreement and the Notes that it

will not claim and has irrevocably waived such immunity to the full extent possible under applicable law in relation to any proceedings.

RISK FACTORS

In making their investment decision, potential investors should carefully consider the merits and risks of an investment in Notes issued under the Programme. In particular, the Issuer believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies that may or may not occur.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the material risks inherent in investing in Notes issued under the Programme, but the Issuer may be unable to pay interest, principal or other amounts on, or in connection with, any Notes for other reasons, which may not be considered significant risks by the Issuer based on information currently available to it or which it may not be currently able to anticipate, and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

Factors that may affect the Issuer's ability to fulfil its obligations under the Notes

The Issuer is exposed to significant economic and political risks, particularly those affecting the GCC countries where its operations are focused

The Issuer is licensed as a conventional wholesale and retail bank with the CBB, headquartered in Bahrain, and is primarily focused on the financial markets of the Gulf Cooperation Council ("GCC") countries comprising Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE. A significant part of the Issuer's assets is located within the GCC countries, including almost all of its loans and advances (94.3 per cent. as at 31 December 2022; 95.7 per cent. as at 31 December 2021; and 97.4 per cent. as at 31 December 2020), and the Issuer also derives a majority of its deposits (60.5 per cent. as at 31 December 2022; 63.7 per cent. as at 31 December 2021; and 62.5 per cent. as at 31 December 2020) from those countries. Investors should note that the Issuer's business and financial performance could be affected by adverse developments in the economic, political or social environment in the GCC, particularly in Saudi Arabia, which accounted for 60.7 per cent. of the Issuer's total loan portfolio as at 31 December 2022 (56.7 per cent. as at 31 December 2021; and 52.3 per cent. as at 31 December 2020) and Bahrain, where the Issuer is headquartered. Adverse developments include political uncertainty and tensions or social unrest that could result in the loss of investor confidence (see further "*The Issuer's business is located in a region that has been subject to ongoing political and security concerns*" below).

The Issuer is susceptible to changes in the macroeconomic environment and the performance of financial markets generally. Global economic conditions in 2022 were impacted by geopolitical turbulence and economic stress. As stated in its April 2023 World Economic Outlook, the International Monetary Fund (the "IMF") stated that global economic growth declined from 5.7 per cent. in 2021 to 3.4 per cent. in 2022, with further deterioration to 2.8 per cent. expected in 2023. Although inflation has declined, it still remains well above central bank targets. This, coupled with generally tight labour markets as well as turmoil in the United States and Swiss financial sectors, has added to already uncertain and volatile conditions. Commodity prices that rose sharply following the start of the Russia-Ukraine conflict have moderated but remain high amid tight supply dynamics. Global economic conditions in 2021 recovered from the impact of the COVID-19 pandemic in 2020, with global real GDP expanding by 5.7 per cent. at the end of 2021, according to IMF data. The rollout of vaccines helped reduce fatalities globally, although the emergence of Omicron, a more transmissible variant of the virus, led to some restrictions and financial market volatility at the end of 2021.

The COVID-19 pandemic, the Russia-Ukraine conflict and the bank insolvencies in Switzerland and the United States impacted the world economy across many industries and markets, including the markets in which the GIB Group operates. To monitor and manage these challenges effectively, the GIB Group continues to regularly review its credit portfolio with a specific focus on deferred loan customers and has taken appropriate actions to mitigate the associated credit risks proactively and maintain a prudent level of provisions. While adverse conditions have eased regionally and overall growth momentum has returned, prolonged global economic and geopolitical uncertainty could impact oil demand and oil prices and, over time, lead to a deterioration in the quality of the Issuer's asset portfolio. This may have an adverse affect on

the Issuer's business, results of operations, financial condition or prospects and hence its ability to make payments under the Notes.

In 2020, the GIB Group's total income was negatively impacted by the adverse economic conditions caused by the COVID-19 pandemic and it also recorded a significantly higher provision charge for loans and advances in 2020 compared to 2019, reflecting the anticipated impact of the pandemic on its borrowers. In 2021 and 2022, the GIB Group's total income recovered and its provision charge for expected credit losses was significantly reduced as compared to 2020, reflecting the general economic recovery in these years.

As at the date of this Base Prospectus, the Issuer believes that the macroeconomic outlook for Saudi Arabia and the rest of the GCC is positive, supported by higher oil prices, robust balance sheets, economic diversification efforts, limited impact from the Russia-Ukraine conflict and steady growth prospects. The GCC region had embarked on an economic reform and diversification drive prior to the pandemic, the pace and scope of which increased as the pandemic was contained. This, alongside the implementation of wide-ranging stimulus and support measures to cushion the economy, businesses and the wider population from the COVID-19 crisis, played a key role in maintaining economic growth momentum after the pandemic. Reflecting current oil prices, the oil sector in the GCC is estimated by the IMF to grow at 1.0 per cent. in 2023. Beyond the oil sector, the non-oil economies of the GCC countries have experienced significant expansion. This is evidenced by the strong performance of the Purchasing Managers' Indices in those countries for the non-oil sector, which remained expansionary for most of 2022. According to IMF data, fiscal deficits widened across the GCC in 2020 as a result of the stimulus and support-related outlays, with the region's consolidated fiscal deficit reaching 8.0 per cent. of GDP and its total government gross public debt being 41.3 per cent. of GDP in 2020. However, the ongoing economic recovery has reversed this trend, with the overall GCC fiscal balance reaching a surplus of 6.0 per cent. at the end of 2022 and the public debt ratio easing to 27.8 per cent. in 2022. Oil prices have moderated and the Issuer expects this to result in a reversal of some of the fiscal gains in 2023 if global conditions do not improve, although in its May 2023 Regional Economic Outlook – The Middle East and Central Asia, the IMF expects the GCC's fiscal balance to decline to 2.4 per cent of GDP at the end of 2023. The Issuer remains exposed to volatility in oil prices and inflationary pressures as well as any material escalation in the Russia-Ukraine conflict or other geopolitical shocks.

Certain regional oil-producing countries that have pegged their domestic currencies to the U.S. dollar typically face increased pressure to remove these foreign exchange pegs at times of significant and prolonged falls in oil prices. For example, each of Kazakhstan and Azerbaijan removed the U.S. dollar peg of their domestic currencies in August 2015 and December 2015, respectively. While no GCC country with such a peg has yet removed it, there remains a risk that any de-pegging by one or more GCC countries would pose a systemic risk to the regional banking systems by virtue of the inevitable devaluation of any such de-pegged currency against the U.S. dollar and the impact this would have on the open cross-currency positions held by regional banks, including the Issuer. Any such de-pegging in the GCC, particularly if such de-pegging is accompanied by the anticipated currency devaluations against the U.S. dollar (as described above), could have an adverse effect on the Issuer's business, results of operations, financial condition or prospects and hence its ability to make payments under the Notes.

The economies of the GCC countries are affected by international oil prices, which are subject to significant fluctuation and a significant decline in international oil prices may materially adversely affect the Issuer, particularly if it is sustained for a long period

The economies of the GCC countries are affected by international oil prices, which are subject to significant fluctuation. For example, the annual average OPEC Reference Basket price (which represents a weighted average of oil prices collected from various oil-producing countries, including both members and non-members of the Organization of Petroleum Producing Countries ("OPEC")) was U.S.\$41.47 in 2020, U.S.\$69.82 in 2021 and U.S.\$80.36 in 2022.

The measures taken to combat the COVID-19 pandemic resulted in a significant decline in demand for oil in most of 2020 and the impact of this decline on global oil prices was exacerbated by disagreements between members of OPEC and Russia on measures to address falling global oil demand.

Although oil prices increased significantly in 2022 and have remained relatively high to date in 2023, initially driven by supply concerns associated with the Russia-Ukraine conflict and the sanctions being imposed on Russia and more recently moderated by announcements in October 2022 and April 2023 by OPEC and non-OPEC members of cuts to stabilise the oil market as well as changes in sanctions imposed

on Russia designed to help stabilise oil prices, these prices are expected to continue to fluctuate in the future in response to changes in many factors over which the Issuer has no control. Factors that may affect the price of oil include, but are not limited to:

- global and regional supply and demand and expectations regarding future supply and demand for oil products;
- economic and political developments in oil-producing regions, particularly in the Middle East;
- the ability of members of OPEC and other crude oil-producing nations to agree upon and maintain specified global production levels and prices;
- the impact of international environmental regulations designed to reduce carbon emissions;
- other actions taken by major crude oil-producing or consuming countries;
- prices and availability of alternative fuels, global economic and political conditions, prices and availability of new technologies using alternative fuels; and
- global weather and environmental conditions.

Prolonged periods of low crude oil and other hydrocarbon prices may have a significant adverse impact on the economies of the GCC countries. Such effects would be likely to materially adversely affect the Issuer's business, financial condition, results of operations, liquidity and prospects by reducing the demand from its GCC customers for financing and by adversely affecting the quality of its outstanding financing, thus potentially increasing its impairment losses and so reducing profitability. In addition, any reduction in revenues of the GCC countries would reduce the likelihood and/or extent of government financial support being available to GCC banks, including the Issuer, should such support be needed in the future.

The Issuer could be adversely affected by increased competition in the markets in which it provides its financial and banking services

The markets in which the Issuer provides its financial and banking services are highly competitive. These markets are catered to by commercial banks established locally in the GCC along with branches of banks based outside the GCC. The increasing presence of branches of international banks has resulted in increased competition and may adversely impact the Issuer's business, resulting in limited or reduced market share. There has also been a recent trend towards consolidation of the banking sector, with a focus on mergers and acquisitions among some GCC banks. While this trend is still in its early stages, it could lead to increased competition for the Issuer, through the strengthening of the position of any of its competitors that engage in such consolidation. All of the foregoing factors could have a material adverse effect on the Issuer's business, results of operations, financial condition or prospects and hence its ability to make payments under the Notes.

The Issuer is exposed to the credit risk of its borrowers and other counterparties

Credit risk arises principally in the Issuer's lending and investment activities. Credit risk is the risk of financial loss to the Issuer if a customer or counterparty to a financial exposure or instrument fails to meet its contractual obligations. Credit risks could arise from a specific deterioration in the credit quality of certain borrowers, issuers and counterparties of the Issuer, or from a general deterioration in local or global economic conditions, or from systemic risks within the financial system. This could affect the recoverability and value of the Issuer's assets, which may result in an increase in the Issuer's provisions for impairment losses in respect of loans, securities and other credit exposures. For example, the GIB Group recorded income statement provision charges for expected credit losses of U.S.\$71.6 million in 2022, U.S.\$44.5 million in 2021 and U.S.\$340.5 million in 2020. The high provision in 2020 was due to an exceptional provision charge relating to the challenging macroeconomic conditions arising from the COVID-19 pandemic and generally low oil prices for much of the year. As at 31 December 2022, the GIB Group's non-performing loans (being its Stage 3 loans and advances determined in accordance with IFRS 9) as a percentage of its total gross loans and advances was 1.6 per cent., compared to 2.5 per cent as at 31 December 2021 and 3.4 per cent. as at 31 December 2020. The GIB Group's total provision coverage ratio (being the sum of its provision for expected credit losses, divided by its non-performing loans) as at

31 December 2022 was 160.6 per cent., compared to 112.8 per cent. as at 31 December 2021 and 92.9 per cent. as at 31 December 2020.

Although the Issuer makes provisions for potential credit losses in accordance with applicable requirements, the provisions are made based on available information, estimates and assumptions, which are subject to uncertainty. Therefore, there can be no assurance that provisions made by the Issuer are or will be sufficient to cover potential future losses. Further, if the credit quality of the Issuer's loans or the financial health of any of its borrowers were to deteriorate, the Issuer may have to make additional impairment provisions which could have a material adverse effect on the Issuer. The recoverability of the credit provided by the Issuer to its customers may be adversely affected by negative changes in the overall economic, political or regulatory environment affecting the ability of the Issuer's counterparties to repay their loans, the effectiveness of enforcement proceedings and other circumstances beyond the Issuer's control. In addition, the Issuer's credit risk may be exacerbated when the collateral it holds cannot be realised upon default or is liquidated at prices not sufficient to recover the full amount of the exposure that is due. Many of the hedging and other risk management strategies utilised by the Issuer involve transactions with financial services counterparties. Any weakness in these counterparties may impair the effectiveness of the Issuer's hedging and other risk management strategies and may, as a result, have a material adverse effect on the Issuer's business, results of operations, financial condition or prospects.

In addition, any actual or perceived lack of creditworthiness of, or questions about, a significant financial institution may lead to market-wide liquidity problems and losses or defaults by other institutions, including the Issuer, if it has material exposure to any affected institution. This risk, often referred to as "systemic risk", may also adversely affect other financial intermediaries, such as clearing agencies, clearing houses, securities firms and exchanges, with whom the Issuer interacts on a daily basis. Systemic risk, should it materialise, could have a material adverse effect on the Issuer's ability to raise new funding and on its business generally.

The Issuer is subject to the risk that liquidity may not always be available

Liquidity risk is the risk that the Issuer will encounter difficulties in repaying its obligations through its own sources or secure funding at excessive cost. This could arise due to the inability of the Issuer to anticipate and provide for unforeseen reductions or changes in funding sources, which could have adverse consequences on the Issuer's ability to meet its obligations when they fall due. The Issuer obtains the majority of its non-equity funding (defined as the sum of deposits from customers, senior term financing, deposits from banks and securities sold under agreements to repurchase ("**repos**")) from wholesale sources, chiefly from institutional depositors in the GCC (including governments and central banks). Deposits from customers constituted 78.6 per cent. of the Issuer's total non-equity funding as at 31 December 2022; 75.6 per cent. as at 31 December 2021; and 77.1 per cent. as at 31 December 2020. Senior term financing constituted 17.7 per cent. of the Issuer's total non-equity funding as at 31 December 2022; 18.4 per cent. as at 31 December 2021; and 19.4 per cent. as at 31 December 2020. Deposits from banks constituted 1.8 per cent. of the Issuer's total non-equity funding as at 31 December 2022; 3.6 per cent. as at 31 December 2021; and 2.8 per cent. as at 31 December 2020 and repos constituted 1.9 per cent. of the Issuer's total non-equity funding as at 31 December 2022; 2.5 per cent. as at 31 December 2021; and 0.7 per cent. as at 31 December 2020. See further "*Description of the Issuer - Funding*".

Deposits with a maturity of three months or less formed 61.2 per cent. of the Issuer's non-equity funding as at 31 December 2022; (59.1 per cent. as at 31 December 2021; and 70.2 per cent. as at 31 December 2020) and therefore may give rise to the risk of a maturity mismatch between the Issuer's assets and liabilities. The availability of deposits is subject to fluctuation due to factors outside the Issuer's control, including possible loss of confidence and competitive pressures, and this could result in a significant outflow of deposits within a short period of time or may cause the Issuer to increase the return paid on its deposits to ensure that it retains sufficient deposits. As part of its liquidity risk management strategy, the Issuer makes assumptions in relation to the potential deposit outflows which could occur at times of stress. If any of these assumptions prove to be incorrect, the Issuer could face unplanned liquidity outflows which have not been taken into account in the Issuer's liquidity contingency plans and funding plans.

If a substantial portion of the Issuer's depositors, or any of its largest depositors, withdraw their demand deposits or do not roll over their time deposits at maturity, the Issuer may need to seek other sources of funding or may have to sell, or enter into sale and repurchase or securitisation transactions over, certain of its assets to meet its funding requirements. There can be no assurance that the Issuer will be able to obtain additional funding as and when required or at prices that will not affect its ability to compete effectively

and, if the Issuer is forced to sell assets to meet its funding requirements, it may suffer material losses as a result.

In extreme cases, if the Issuer is unable to refinance or replace such deposits with alternative sources of funding to meet its liquidity needs, through deposits, the interbank markets, the international capital markets or through asset sales, this would have a material adverse effect on its business generally and could, potentially, result in its insolvency.

The Issuer has significant concentrations in its portfolio of loans and advances and among its depositors

Although the Issuer has established various risk limits to try to prevent undue concentrations in terms of industry and geography in its loan portfolio, the Issuer has a high concentration of loans provided within its core GCC markets (excluding Saudi Arabia, 33.6 per cent. of its loans and advances were concentrated on the GCC as at 31 December 2022 (compared to 39.0 per cent. as at 31 December 2021 and 45.1 per cent. as at 31 December 2020) and 60.7 per cent. of its loans and advances were concentrated on Saudi Arabia as at 31 December 2022 (compared to 56.7 per cent. as at 31 December 2021 and 52.3 per cent. as at 31 December 2020)).

The Issuer also has substantial lending exposure to: (i) the financial sector (18.9 per cent. of its total loans and advances as at 31 December 2022; 17.6 per cent. as at 31 December 2021; and 15.0 per cent. as at 31 December 2020); (ii) the trading and services sector (16.6 per cent. of its total loans and advances as at 31 December 2022; 15.5 per cent. as at 31 December 2021; and 18.2 per cent. as at 31 December 2020); and (iii) the energy, oil and petrochemical industries (14.4 per cent. of its total loans and advances as at 31 December 2022; 19.4 per cent. as at 31 December 2021; and 17.3 per cent. as at 31 December 2020).

Certain of these sectors are exposed to particular risks. For example, borrowers in the financial sector are likely to be particularly sensitive to economic downturns (see "*The Issuer is exposed to significant economic and political risks, particularly those affecting the GCC countries where its operations are focused*" above), and borrowers in the energy, oil and petrochemical sector are likely to be particularly exposed to a prolonged period of low oil prices (see "*The economies of the GCC countries are affected by international oil prices, which are subject to significant fluctuation and a significant decline in international oil prices may materially adversely affect the Issuer, particularly if it is sustained for a long period*" above).

As a result, a material weakening in the credit quality of, or a default by, any one or more of the Issuer's large exposure counterparties, or any factors which negatively impact the sectors to which the Issuer has significant exposure could result in the Issuer having to make significant additional impairment provisions and/or experiencing significantly reduced interest income, each of which could have a material adverse effect on the Issuer.

The Issuer's 20 largest deposits represented 74.2 per cent. of the total deposits held by it as at 31 December 2022 (76.5 per cent. as at 31 December 2021 and 82.7 per cent. as at 31 December 2020). If the GCC countries or Saudi Arabia experience a significant liquidity shortage in the future, this may result in one or more of the Issuer's large depositors seeking to withdraw some or all of its deposits. See further "*The Issuer is subject to the risk that liquidity may not always be available*" above.

The Issuer could be adversely affected by market risks

Market risk is the current or prospective risk that changes in financial market prices and rates will cause fluctuations in the value and cash flows of financial instruments. The most significant market risks to which the Issuer is exposed are interest rate and equity price risks associated with its trading, investment and asset and liability management activities. Changes in interest rate levels and spreads may affect the interest rate margin realised between the Issuer's lending and investment activities and its borrowing costs, and the value of assets that are sensitive to interest rate and spread changes. Changes in foreign exchange rates may affect the value of assets and liabilities denominated in foreign currencies and the income from foreign exchange dealing. Changes in bond and equity prices may affect the values of the Issuer's investment and trading portfolios. Such changes could negatively impact the Issuer's financial performance and business operations. It is difficult to accurately predict changes in economic and market conditions and it is possible that any such significant changes could have a negative impact on the Issuer's financial performance and business operations.

The Issuer may enter into derivative transactions, such as interest rate swaps, currency swaps and forward contracts, as part of its ordinary customer business or as a means to hedge certain of the market risks to which it is exposed. There is no assurance that the Issuer's derivative contracts will be successful in mitigating its interest rate and foreign exchange exposures or that the Issuer will not experience significant losses on its derivatives contracts from time to time.

Adverse movements in interest and foreign exchange rates or bond or equity prices may also adversely impact the revenues and financial condition of the Issuer's depositors, borrowers and other counterparties which, in turn, may impact the Issuer's deposit base and the quality of its credit exposures to certain borrowers and other counterparties. Ultimately, there can be no assurance that the Issuer will be able to protect itself from any adverse effects of a currency revaluation or future negative changes in interest rate or currency exchange rates or from a significant change in the prices of its or its counterparties' securities.

The Issuer is exposed to a range of operational risks

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems (including as a result of external events). Operational risk losses can result from both internal and external fraud, voluntary and involuntary errors by employees, improper documentation, unauthorised transactions, non-compliance with regulatory requirements and failure of business rules, systems and equipment by both the Issuer and its counterparties or vendors. Although the Issuer has implemented risk controls and loss mitigation strategies for each scenario, it is not possible to entirely eliminate each of the above operational risks. Losses resulting from the failure of the Issuer's system of internal controls could have a material adverse effect on its business generally and its reputation.

The Issuer's employees could engage in misrepresentation, misconduct or improper practice that could expose the Issuer to direct and indirect financial loss and damage to its reputation. Such practices may include embezzling clients' funds, engaging in corrupt or illegal practices to originate further business, intentionally or inadvertently releasing confidential information about clients or failing to follow internal procedures. It is not always possible to detect or deter these types of misconduct, and the precautions which the Issuer takes to detect and prevent such misconduct may not be effective in all cases. There can be no assurance that measures undertaken to combat these types of misconduct will be successful. Any such actions by employees could expose the Issuer to financial losses resulting from the need to reimburse clients, co-investors or other business partners who suffered loss as a result and to fines or other regulatory sanctions, and could damage the Issuer's reputation.

The Issuer is exposed to risks related to money laundering activities and sanctions violations

The risk that financial institutions, such as the Issuer, will be exposed to or used for money laundering has increased worldwide. Continuing turnover of employees and the difficulty in consistently implementing related policies and technology systems mean that the risk of the occurrence of money laundering is high. If financial market conditions, both globally and regionally, deteriorate, there is a risk that incidents involving money laundering may increase and may also affect the Issuer's ability to monitor, detect and respond to such incidents.

In addition, the Issuer is required to comply with a number of international sanctions regimes, including those of the EU, the United Nations, the United States and a number of other countries. A wide range of countries, organisations and individuals may be subject to sanctions under these regimes and the complexity of banking operations means that steps taken to screen transactions against sanctions lists may not always be effective. The Issuer currently has insignificant exposure to certain sanctioned countries, such as Syria, and to entities which are currently subject to certain economic and/or political sanctions. If the sanctions regulations are expanded in the future, this may require certain business activities carried on by the Issuer in a particular country or with a particular entity to cease or may result in the non-completion or non-performance of certain transactions.

The risk of future incidents in relation to money laundering and sanctions violations always exists for the Issuer. Any violation of anti-money laundering rules or sanctions regimes, or even the suggestion of violations, may have severe legal and reputational consequences for the Issuer and may materially adversely affect its results of operations.

The Issuer is subject to extensive regulation and changes in this regulation, or the interpretation or enforcement of this regulation, or any failure by the Issuer to comply with this regulation could have a material adverse effect on the Issuer

As a financial services firm operating primarily in the GCC, the United Kingdom and the United States of America, the Issuer is subject to extensive and comprehensive regulation under the laws of the various jurisdictions in which it operates.

The Issuer, in common with much of the financial services industry, continues to be affected by significant regulatory change and scrutiny in many of the countries in which it operates, including, in particular, Bahrain, Saudi Arabia, the UAE, the United Kingdom and the United States of America. This has led to a more intensive approach to supervision and oversight, increased expectations and enhanced requirements relating to corporate governance, and a large amount of new regulation, including with regard to:

- capital, liquidity and leverage requirements;
- structural reform and recovery and resolution planning;
- market infrastructure reforms such as centralised clearing of over-the-counter (OTC) derivatives; and
- the adequacy of controls around its businesses in the jurisdictions in which the Issuer operates.

The Issuer has sought to comply with all of the new requirements affecting it, but no assurance can be given that it will at all times and in all material respects either be or remain in compliance with applicable regulations. A number of authorities, including financial supervision, consumer protection and other authorities, regularly perform investigations, examinations, inspections and audits of the Issuer's business, including in relation to capital requirements, standards of consumer lending, anti-money laundering, anti-bribery, payments, reporting and corporate governance. Any determination by any relevant authority that the Issuer has not acted in compliance with all applicable laws and regulations could have serious legal and reputational consequences for the Issuer, including exposure to fines, criminal and civil penalties and other damages, increased prudential requirements or requirements to cease carrying on all or part of its business.

The Issuer's business is dependent on its information and technology systems which are subject to potential cyber-attack

The Issuer relies on its information technology ("IT") systems to process a large number of transactions accurately and on a timely basis. These systems also store and process the Issuer's business and operating data. The proper functioning of the Issuer's financial control, risk management, credit analysis and reporting, accounting, customer service and other IT systems, as well as the communication networks between its branches and main data processing centres, are critical to its business and its ability to compete effectively. A partial or complete failure of any of these IT systems or communications networks would materially disrupt the Issuer's business activities. Such failures can be caused by a variety of reasons, some of which are outside the Issuer's control, including natural disasters, extended power outages, computer viruses and other external electronic attacks as further discussed below. The proper functioning of the Issuer's IT systems also depends on accurate and reliable data and other system inputs, which are subject to internal human errors. Any failure or delay in recording or processing transaction data could subject the Issuer to claims for losses and regulatory fines and penalties. There can be no assurance that the Issuer's IT safeguards will be fully effective in the event of a disaster or that they will protect the Issuer from all losses that could occur.

The threat to the security of the Issuer's information and customer data from cyber-attacks is real and continues to grow at pace. Activists, rogue states and cyber-criminals are among those targeting computer systems around the world. Risks to technology and cyber-security change rapidly and require continued focus and investment. Given the increasing sophistication and scope of potential cyber-attack, it is possible that future cyber-attacks may lead to significant breaches of security. A failure by the Issuer to adequately manage cyber-security risk and continually review and update current processes in response to new threats could disrupt its business, result in the disclosure of confidential information, create significant financial and/or legal exposure and damage the Issuer's reputation and/or brands, which could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

There is no certainty that the Issuer's shareholders will continue to support the Issuer

As at the date of this Base Prospectus, the Saudi Arabian Public Investment Fund (the "PIF") owns 97.2 per cent. of the issued share capital of the Issuer. The governments of Bahrain, Kuwait, Oman, Qatar and the UAE, directly or indirectly, own the remaining shares in the Issuer in unequal percentages. When the Issuer faced significant losses in the past, its shareholders provided further capital and other support to the Issuer. There can be no assurance however that the Issuer's shareholders will provide such support in the future or that they will maintain their existing shareholdings in the Issuer or provide further capital to the Issuer and, if they do not, the Issuer's business and/or financial condition may be adversely affected.

The Issuer is incorporated in Bahrain by an Amiri Decree and is licensed as a conventional wholesale and retail bank with the CBB, which is the country's central bank. The Issuer commenced retail banking services in Bahrain in 2018. Although the CBB regulates the Issuer, it has previously publicly stated that it will not act as lender of last resort to wholesale banks and, consequently, the Issuer will be reliant upon its shareholders for external financial support if the need arises.

Investing in securities involving emerging markets generally involves a higher degree of risk

Investing in securities involving emerging markets, such as Bahrain, generally involves a higher degree of risk than investments in securities of issuers from more developed countries. These risks include, but are not limited to, higher volatility, more limited liquidity and significant changes in the legal, regulatory, economic and political environment. In addition, financial turmoil in any emerging market country tends to adversely affect confidence in other emerging market countries and may cause investors to move their money to more developed markets. Accordingly, there can be no assurance that the market for securities bearing emerging market risk, such as the Notes, will not be affected negatively by events elsewhere.

The Issuer's business is located in a region that has been subject to ongoing political and security concerns

The Issuer's business is predominantly located in a region that is strategically important and parts of this region have at times experienced political instability including regional wars, terrorist acts, maritime piracy and other forms of instability, including continuing global tensions over Iran's nuclear programme. Instability in the Middle East and surrounding regions, that may or may not directly involve Bahrain, Saudi Arabia or other members of the GCC, may have a material adverse effect on the Issuer's business, results of operations, financial condition or prospects.

Countries in the Middle East and North Africa ("MENA") region may, from time to time, experience periods of political unrest, ranging from public demonstrations to, in extreme cases, armed conflict, which gives rise to increased political uncertainty across the region and, in certain cases in the past, has resulted in regime changes. Currently, there is ongoing conflict between multiple sides (including the government of Bashar al-Assad, numerous rebel groups and 'Islamic State of Iraq and the Levant' ("ISIL")) in Syria and a conflict between Saudi Arabia and the Al Houthi movement in Yemen. The Issuer does not have operations in Syria.

The United States continues to impose sanctions on Iran and any continuation or increase in international or regional tensions regarding Iran could have a destabilising impact on the MENA region.

In 2021, Saudi Arabia, the UAE and Egypt restored diplomatic relations with Qatar, having cut them in June 2017. Bahrain restored diplomatic relations with Qatar in 2023.

There is no certainty that extremists or terrorist groups will not escalate violent activities in the GCC or that any currently stable governments in the GCC will be successful in maintaining the prevailing levels of domestic order and stability. It is not generally possible to predict the occurrence of events or circumstances, such as war or hostilities, or the impact of these occurrences, and no assurance can be given that the Issuer will be able to sustain the profitable operation of its business if adverse political events or circumstances that impact the GCC countries occur. By way of example, Saudi Arabia has experienced terrorist attacks aimed at its oil and gas and other infrastructure in recent years, including, most recently, in February 2022 an attack on a commercial airport in Abha and there have been reports of attacks attempted in the UAE.

It is not possible to predict the occurrence of regional events or circumstances such as war or hostilities, or the impact of such occurrences, and no assurance can be given that the Issuer would be able to sustain its current profit levels if adverse political events or circumstances were to occur or worsen. A general

downturn or instability in certain sectors of the regional economy could have an adverse effect on the Issuer's business, financial condition and results of operations. Investors should also note that the Issuer's business and financial performance could be adversely affected by political, economic or related developments both within and outside the Middle East because of interrelationships within the global financial markets.

Political considerations relating to Bahrain

Bahrain has experienced periods of domestic protest and unrest since 2011, which have resulted in some political reforms. In May 2017, the police in Bahrain arrested 286 people in Diraz as part of an operation to arrest militants and dangerous persons. During the course of the operation, five people were killed, and there were several acts of violence. In July 2017, 60 persons were charged by the relevant judicial authority (including 24 *in absentia*) with forming a terrorist organisation, and using weapons and explosives, as well as being trained with the aim of carrying out terrorist attacks that target police officers and civilians. Judicial procedures are ongoing.

Although Bahrain's security situation has stabilised over the past few years, there can be no assurance that further protests or unrest will not occur in the future. In the event that political unrest should take place, such a development could have an adverse material impact on foreign direct investment in Bahrain or on the country's reputation in the region. While the government has already begun to implement a broader strategy to diversify its revenue base and cut expenditures further, progress has been hampered by political and religious factionalism. The lack of a broad political consensus that encompasses Bahrain's various political and religious groups may undermine the government's ability to implement the full extent of its fiscal readjustment programme, and may hinder its efforts to reverse the rise in public debt in the near term.

The Issuer's business may be affected by political, social and economic instability in Bahrain and this may adversely affect the trading price of the Notes.

The factual information relating to the political events within Bahrain contained in this risk factor is sourced from information set out on the websites of the Bahrain Independent Commission of Inquiry (www.bici.org.bh), the Bahrain News Agency (www.bna.bh) (being the state news agency of Bahrain) and the Bahrain Information Affairs Authority (www.iaa.bh) (the government body in charge of the internal and external formal media in Bahrain).

A crisis in the financial services sector could have an adverse effect on Bahrain's economy

The government of Bahrain has made concerted efforts over the past decade to encourage the growth of its financial services and banking industries, and the country is now one of the primary financial centres for the MENA region. The financial services sector remains one of the main economic sectors of the Bahraini economy, and a major contributor to domestic employment, accounting for 18.6 per cent. of gross domestic product as of the fourth quarter of 2022 according to the CBB. Any subsequent global or regional deterioration could have a disproportionate impact on Bahrain's economy, including on its extractive, financial and manufacturing sectors, which could in turn adversely affect the Issuer's business, financial condition and results of operations and the trading price of the Notes.

In October 2018, Bahrain introduced the Fiscal Balance Program ("**FBP**"), which aimed to eliminate the fiscal deficit by 2022 and put government debt on a downward trajectory. However, following the onset of the COVID-19 pandemic, the government of Bahrain announced in March 2020 a U.S.\$11.3 billion economic stimulus package to support citizens, residents and businesses in Bahrain. This, coupled with the onset of lower oil and gas prices at the start of the pandemic, impacted the FBP targets and resulted in a two-year extension of the original fiscal balance target to 2024. The government plans to further cut spending, reduce operational costs, improve the efficiency of government services and increase non-oil revenues (including increasing annual contributions from government-owned entities; adjusting commodities prices and prices of services provided to companies; introducing new government services revenue initiatives and increasing VAT to 10 per cent.) pursuant to achieving the revised target. In addition, Bahrain is taking the necessary steps to comply with international best practices in combating base erosion and profit shifting, while maintaining its position as an attractive destination for foreign direct investment, given that Bahrain is among the countries in the "comprehensive framework of the OECD / G20 on Base Erosion and Profit Shifting (BEPS), which joins the statement on a two pillar solution to address the tax challenges arising from the digitisation of the economy as of August 31, 2021". The framework is expected

to enter into force in 2023 and pledges to guarantee a minimum corporate income tax of 15 per cent. globally.

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features.

Notes subject to optional redemption by the Issuer

In the event that, as a result of a change in law or regulation, the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Bahrain or any political subdivision thereof or any authority therein or thereof having power to tax, and such obligation cannot be avoided by reasonable measures, the Issuer may redeem all outstanding Notes in accordance with the Conditions. No assurance can be given that the government of the Kingdom of Bahrain will not implement new regulations or new legal interpretations of existing regulations relating to or affecting taxation which could result in the imposition of such a withholding or deduction.

In addition, the Issuer may issue Notes which entitle the Issuer to redeem such Notes prior to their maturity date at its option and at a price which may be less than the current market price of those Notes. An optional redemption feature of the Notes is likely to limit their market value. During any period when the Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

The Issuer may be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. In such circumstances, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available in that time.

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

The Euro Interbank Offered Rate ("**EURIBOR**") and other interest rates or other types of rates and indices which are deemed to be benchmarks are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented.

Regulation (EU) No. 2016/1011 (the "**EU Benchmarks Regulation**") applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU and the UK Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the UK.

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark rate, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the EU Benchmarks Regulation or the UK Benchmarks Regulation and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level of the benchmark.

More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

As an example of such benchmark reforms, on 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a "risk free

overnight rate" which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the euro area. On 13 September 2018, the working group on Euro risk-free rates recommended the new Euro short-term rate ("€STR") as the new risk-free rate for the euro area. The €STR was published for the first time on 2 October 2019. Although EURIBOR has subsequently been reformed in order to comply with the terms of the Benchmark Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

The elimination of EURIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions (as further described in Condition 7(l) (*Floating Rate Note Provisions - Benchmark Replacement - Independent Adviser*) and Condition 7(m) (*Floating Rate Note Provisions - Benchmark Replacement - SOFR*)), or result in adverse consequences to holders of any Notes linked to such benchmark (including Floating Rate Notes whose interest rates are linked to EURIBOR or any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark.

The Conditions of the Notes provide for certain fallback arrangements in the event that a published benchmark, such as EURIBOR (including any page on which any such benchmark may be published (or any other successor service)) becomes unavailable or a Benchmark Event or a Benchmark Transition Event (each as defined in the Conditions), as applicable, otherwise occurs. Such an event may be deemed to have occurred prior to the issue date for a Series of Notes. Such fallback arrangements include the possibility that the Rate of Interest could be set by reference to a Successor Rate or an Alternative Reference Rate (both as defined in the Conditions), and that such Successor Rate or Alternative Reference Rate may be adjusted (if required) in accordance with the recommendation of a relevant governmental body or in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark, although adjustments to the Notes may not achieve this objective. Any such changes may result in the Notes performing differently (which may include payment of a lower Rate of Interest) than if the original benchmark continued to apply.

In certain circumstances the ultimate fallback for the purposes of calculation of the Rate of Interest for a particular Interest Period may result in the Rate of Interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of Successor Rates and Alternative Reference Rates, the involvement of an Independent Adviser (as defined in the Conditions) in certain circumstances the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation reforms or arising from the possible cessation or reform of certain reference rates in making any investment decision with respect to any Notes linked to or referencing a benchmark.

The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates for Floating Rate Notes.

The use of risk-free rates, including those such as the Sterling Overnight Index Average ("SONIA"), the Secured Overnight Financing Rate ("SOFR") and €STR, as reference rates for Eurobonds continues to develop. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to Notes that reference risk-free rates issued under this Programme. The Issuer may in the future also issue Notes referencing SONIA, the SONIA Compounded Index, SOFR, the SOFR Compounded Index or €STR that differ materially in terms of interest determination when compared with any previous Notes issued by it under this Programme. The

development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility, or could otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time.

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

In particular, investors should be aware that several different methodologies have been used in risk-free rate notes issued to date. No assurance can be given that any particular methodology, including the compounding formula in the terms and conditions of the Notes, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. For example, on 2 March 2020, the Federal Reserve Bank of New York, as administrator of SOFR, began publishing the SOFR Compounded Index and on 3 August 2020, the Bank of England, as the administrator of SONIA, began publishing the SONIA Compounded Index. If the relevant risk-free rates do not prove to be widely used in securities like the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of Notes referencing indices that are more widely used.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SONIA, SOFR, €STR or any related indices.

Risk-free rates may differ from inter-bank offered rates in a number of material respects and have a limited history.

Risk-free rates may differ from inter-bank offered rates in a number of material respects. These include (without limitation) being backwards-looking, in most cases, calculated on a compounded or weighted average basis, risk-free, overnight rates and, in the case of SOFR, secured, whereas such interbank offered rates are generally expressed on the basis of a forward-looking term, are unsecured and include a risk-element based on interbank lending. As such, investors should be aware that risk-free rates may behave materially differently to interbank offered rates as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Risk-free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Notes may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future. Investors should not rely on historical performance data as an indicator of the future performance of such risk-free rates nor should they rely on any hypothetical data.

Furthermore, interest on Notes which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference such risk-free rates reliably to estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to Notes linked to interbank offered rates, if Notes referencing backwards-looking rates become due and payable as a result of an Event of Default under Condition 13 (*Events of Default*), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable or are scheduled for redemption.

The administrator of SONIA, SOFR or €STR or any related index may make changes that could change the value of SONIA, SOFR or €STR or any related index, or discontinue SONIA, SOFR or €STR or any related index.

The Bank of England, the Federal Reserve, Bank of New York or the European Central Bank (or their successors) as administrators of SONIA (and the SONIA Compounded Index), SOFR (and the SOFR Compounded Index) or €STR, respectively, may make methodological or other changes that could change the value of these risk-free rates and/or indices, including changes related to the method by which such risk-free rate is calculated, eligibility criteria applicable to the transactions used to calculate SONIA, SOFR or €STR, or timing related to the publication of SONIA, SOFR or €STR or any related indices. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SONIA, SOFR or €STR or any related index (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate.

The Issuer's obligations under the Subordinated Notes are subordinated

The Issuer's obligations under Subordinated Notes will be unsecured and subordinated and will rank junior in priority of payment to unsubordinated liabilities (including all deposits) and Senior Notes in the event of the forced liquidation of the Issuer. Although the Subordinated Notes may pay a higher rate of interest than comparable notes which are not subordinated, there is a risk that an investor in the Subordinated Notes will lose all or some of their investment should the Issuer become insolvent.

See Condition 4 (*Status of the Notes*) in "*Terms and Conditions of the Notes*" below for a full description of subordination and payment obligations of the Issuer under Subordinated Notes.

The Conditions may be modified, waived or amended without the consent of the Noteholders.

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Subject to and in accordance with Condition 7(l) (*Floating Rate Note Provisions - Benchmark Replacement - Independent Adviser*) and Condition 7(m) (*Floating Rate Note Provisions - Benchmark Replacement - SOFR*) certain changes may be made to the interest calculation of Floating Rate Notes, without the consent of the Noteholders.

Accordingly, there is a risk that the Conditions may be modified, waived or amended in circumstances where a Noteholder does not agree to such modification, waiver or amendment, which may adversely impact the rights of such Noteholder.

Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Notes where denominations involve integral multiples: Definitive Notes

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination would need to purchase an additional amount of Notes such that it holds an amount equal to at least the minimum Specified Denomination to be able to trade such Notes. Noteholders should be aware that Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

If a Noteholder holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system at the relevant time, such Noteholder may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to at least a Specified Denomination in order to be eligible to receive a Definitive Note.

If Definitive Notes are issued, holders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

There is no active trading market for the Notes

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). Although application has been made to the FCA for Notes issued under the Programme (other than Exempt Notes) to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the Main Market, there can be no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted, or that an active trading market will develop or, if developed, that it will continue. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Notes. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer.

Reliance on Euroclear and Clearstream, Luxembourg procedures

The Notes of each Tranche will be represented on issue by a Global Note or a Global Registered Note that will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the Global Note or the Global Registered Note (as applicable), investors will not be entitled to receive Notes in definitive form. Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the ownership interests in the Global Note or the Global Registered Note (as applicable). While the Notes of any Tranche are represented by the Global Note or the Global Registered Note, investors will be able to trade their ownership interests only through Euroclear and Clearstream, Luxembourg and their respective participants.

While the Notes of any Tranche are represented by a Global Note or a Global Registered Note, the Issuer will discharge its payment obligation under the Notes by making payments through the relevant clearing systems. A holder of an ownership interest in a Global Note or a Global Registered Note (as applicable) must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, ownership interests in a Global Note or a Global Registered Note.

Holders of ownership interests in a Global Note or a Global Registered Note will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

Risks related to the market generally

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

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease: (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes, and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the relevant rating agency at any time.

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

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

If the status of the rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the United Kingdom, as applicable, and the Notes may have a different regulatory treatment. This may result in such regulated investors selling the Notes, which may impact the value of the Notes and their liquidity in the secondary market. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

Risks related to enforcement

Enforcing arbitration awards and foreign judgments in Bahrain

The Agency Agreement, the Deed of Covenant and the terms and conditions of the Notes (except for Condition 4(b) (*Status of the Notes – Status of the Subordinated Notes*)), and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law. Any dispute in relation to the Agency Agreement, the Deed of Covenant and the terms and conditions of the Notes (except for Condition 4(b) (*Status of the Notes – Status of the Subordinated Notes*)), and any non-contractual obligations arising out of or in connection with them, may be referred to arbitration in London, England under the London Court of International Arbitration Rules. Bahrain has ratified the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the "**New York Convention**"). Any arbitration award rendered in London should therefore be enforceable in Bahrain in accordance with the terms of the New York Convention. Under the New York Convention, Bahrain has an obligation to recognise and enforce foreign arbitration awards, unless the party opposing enforcement can prove one of the grounds under Article V of the New York Convention to refuse enforcement, or the Bahrain courts find that the subject matter of the dispute is not capable of settlement by arbitration under the laws of Bahrain or enforcement would be contrary to the public policy of Bahrain.

Under the terms and conditions of the Notes, any such dispute may also be referred to the courts of England or any other courts with jurisdiction (who shall have non-exclusive jurisdiction to settle any dispute arising from such documents) if the Noteholder(s) require. In these circumstances, each party irrevocably agrees to submit to the non-exclusive jurisdiction of the courts of England.

Notwithstanding that a judgment may be obtained in an English court, there is no assurance that the Issuer has or would at the relevant time have assets in the United Kingdom against which such a judgment could be enforced. Accordingly, there may be insufficient assets of the Issuer to satisfy in whole or in part any judgement obtained from an English court relating to any amounts owing under the Notes.

There is limited reciprocity between Bahrain and other countries in relation to the recognition and enforcement of judgments. Bahrain's courts may enforce a foreign court judgment without re-examining the merits of the claim, provided that:

- (a) such court enforces judgments and orders rendered in Bahrain;
- (b) the courts of Bahrain did not have jurisdiction in the matter in respect of which the order or judgment has been made and it was made by a foreign court of competent jurisdiction under the jurisdiction rules or laws applied by such court;
- (c) the parties had been served with due notice to attend and had been properly represented;
- (d) the judgment was final in accordance with the law of the court making it; and
- (e) the judgment did not conflict with any previous decision of the Bahrain courts and did not involve any conflict with public order or morality in Bahrain.

As there has been no reciprocity between England and Bahrain in relation to the recognition and enforcement of court judgments, the courts of Bahrain are unlikely to enforce an English court judgment without requesting that a fresh case be filed in the Bahrain courts which may result in the Bahrain courts re-examining the merits of the claim although the Bahrain courts may also accept the English court judgment as evidence of a debt. The choice by the parties of English law as the governing law of the transaction will be recognised by the courts of Bahrain provided that the provisions thereof are (i) proved, as a matter of evidence, by the party relying on it and (ii) not contrary to Bahraini public order and morality.

Judicial precedents in Bahrain generally do not have binding effect on subsequent decisions except as a directive for decisions of the Constitutional Court. Although decisions rendered by the Court of Cassation do not have binding effect on lower courts, the present practice is for the lower courts to adhere to the precedents and principles laid down by the Court of Cassation. There is no formal system of reporting court decisions in Bahrain except for those decisions of the Court of Cassation and the Constitutional Court.

Claims for specific enforcement

In the event that the Issuer fails to perform its obligations under the terms and conditions of the Notes, the potential remedies available to the Noteholders include obtaining an order for specific enforcement of the relevant obligations or a claim for damages. There is no assurance that any court would order specific performance of a contractual obligation.

The amount of damages which a court may award in respect of a breach will depend upon a number of possible factors including an obligation on the Noteholders to mitigate any loss arising as a result of the breach. No assurance is provided on the level of damages which a court may award in the event of a failure by the Issuer to perform its obligations under the terms and conditions of the Notes.

The insolvency regime in Bahrain is relatively untested with limited guidance as to how the legislative framework will be applied in practice by the courts in Bahrain.

Prospective investors should note that the insolvency regime in Bahrain is relatively untested as there have been a limited number of large scale insolvencies. As a result, there is limited guidance as to how the legislative framework will be applied in practice and, in particular, the definitive approach that would be adopted by a court in Bahrain or the relevant insolvency official in relation to assessing the claims of senior and subordinated creditors of the Issuer.

Enforcement of Interest Provisions

In the event that proceedings are brought against the Issuer in Bahrain, certain provisions of Bahraini law would apply, including Article 76 of the Bahraini Law of Commerce, as amended (No 7 of 1987) which provides that Bahraini courts are to enforce contractual rates of interest, unless they exceed the legally

prescribed maximum rate of interest. No rate has been prescribed as a maximum rate of interest and as a result the courts in Bahrain have a discretion, having regard to custom and practice, to determine the legally prescribed maximum rate. Accordingly, there is a risk that a Bahraini court might enforce distributions on any Notes at the lower of the applicable contractual rate and the maximum rate which it considers to be then current legally prescribed maximum rate of interest.

Generally, where provisions relating to interest payments are provided for in an agreement, the courts in Bahrain may give effect to such a provision so long as the agreement between the parties which provides for payment of interest is a commercial agreement relating to commercial activities.

The Bank's waiver of immunity may not be effective under the laws of Bahrain

Bahrain law provides that public or private assets owned by the Kingdom of Bahrain may not be confiscated. There is a risk that the assets of the Bank may fall within the ambit of government assets and as such cannot be attached or executed upon.

Although the Bank has irrevocably waived its right in relation to immunity, there can be no assurance as to whether such waivers of immunity from execution or attachment or other legal process by it under the Agency Agreement, the Deed of Covenant, the Dealer Agreement and the Notes are valid and binding under the laws of Bahrain.

INFORMATION INCORPORATED BY REFERENCE

The following documents, which have previously been published, shall be incorporated in, and form part of, this Base Prospectus:

- (i) the unaudited condensed interim consolidated financial statements (including the auditors' report thereon and notes thereto) of the Issuer in respect of the three months ended 31 March 2023;
- (ii) the audited consolidated financial statements (including the auditors' report thereon and notes thereto) of the Issuer in respect of the year ended 31 December 2022;
- (iii) the audited consolidated financial statements (including the auditors' report thereon and notes thereto) of the Issuer in respect of the year ended 31 December 2021;
- (iv) the Terms and Conditions of the Notes contained on pages 23 to 56 (inclusive) in the base prospectus dated 10 October 2016 prepared by the Issuer in connection with the Programme;
- (v) the Terms and Conditions of the Notes contained on pages 24 to 57 (inclusive) in the base prospectus dated 23 January 2018 prepared by the Issuer in connection with the Programme;
- (vi) the Terms and Conditions of the Notes contained on pages 27 to 63 (inclusive) in the base prospectus dated 4 April 2019 prepared by the Issuer in connection with the Programme; and
- (vii) the Terms and Conditions of the Notes contained on pages 27 to 63 (inclusive) in the base prospectus dated 28 May 2020 prepared by the Issuer in connection with the Programme.

Copies of documents (i), (ii) and (iii) above are available on the website of the Issuer at <https://www.gib.com/en/financial-statements> and copies of each of the above documents are available on the website of the Regulatory News Service operated by the London Stock Exchange at www.londonstockexchange.com/exchange/news/market-news/market-news-home.html. Any information contained in or incorporated by reference in any of the documents specified above which is not incorporated by reference in this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus and, for the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus those documents contained in or incorporated by reference in any of the documents specified above, and information contained on the website do not form part of this Base Prospectus.

Supplements

Following the publication of this Base Prospectus, a supplement may be prepared by the Issuer and approved by the FCA in accordance with Article 23 of the UK Prospectus Regulation. Statements contained in any such supplement (or contained in any information incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in information which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

The Issuer will, in the event of any significant change affecting any matter contained in this Base Prospectus or a significant new matter arising, the inclusion of information in respect of which would have been so required if it has arisen at the time this Base Prospectus was prepared, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

FORMS OF THE NOTES

Bearer Notes

Each Tranche of Notes in bearer form ("**Bearer Notes**") will initially be issued in the form of either a temporary global note in bearer form (the "**Temporary Global Note**"), without interest coupons, or a permanent global note in bearer form (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Note**") will be deposited on or around the issue date of the relevant Tranche of the Notes with a depository or a common depository for Euroclear Bank SA/NV as operator of the Euroclear System ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and/or any other relevant clearing system.

So long as the Notes are represented by a Temporary Global Note or Permanent Global Note and the relevant clearing system(s) so permit, the Notes may, if so specified in the relevant Final Terms, or the relevant Pricing Supplement, as the case may be, be tradeable only in a minimum authorised denomination of EUR100,000 and higher multiples of EUR1,000. In such a case, no Definitive Notes will be issued with a denomination above EUR199,000.

In the case of each Tranche of Bearer Notes, the relevant Final Terms or Pricing Supplement (as the case may be), will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (or substantially identical successor United States Treasury Regulation section, including without limitation, substantially identical successor regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (or any substantially identical successor United States Treasury Regulation section, including without limitation, substantially identical successor regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Final Terms or the relevant Pricing Supplement (as the case may be), specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be issued in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless, upon due certification, exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in a Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (ii) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership,

within seven days of the bearer requesting such exchange.

The principal amount of the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership, provided that in no circumstances shall the principal amount of the Permanent Global Note exceed the initial principal amount of the Temporary Global Note.

The Permanent Global Note will be exchangeable in whole, but not in part, for Definitive Notes:

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be); or
- (ii) at any time, if so specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be); or
- (iii) if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business, or (b) an Event of Default as defined in Condition 13 (*Events of Default*) occurs and the Notes become due and payable.

The exchange upon notice option described in paragraph (i) above should not be expressed to be applicable in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement if the relevant Notes have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount. Furthermore, Notes should not be issued which have such denominations if such Notes are to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be)), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

Temporary Global Note exchangeable for Definitive Notes

If the relevant Final Terms or the relevant Pricing Supplement (as the case may be) specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Bearer Notes in definitive form ("**Definitive Notes**") not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms or the relevant Pricing Supplement (as the case may be) specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be issued in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be)), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Final Terms or the relevant Pricing Supplement (as the case may be) specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be issued in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be); or

- (ii) at any time, if so specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be); or
- (iii) if: (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business and no successor clearing system is available; or (b) an Event of Default as defined in Condition 13 (*Events of Default*) occurs and the Notes become due and payable.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be)), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Final Terms or the relevant Pricing Supplement (as the case may be) which supplement those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

Legend concerning United States persons

In the case of any Tranche of Bearer Notes where the TEFRA D Rules are specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), the Notes in permanent global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the U.S. Internal Revenue Code."

The sections referred to in such legend provide that a United States person who holds a Note, Coupon or Talon will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Note, Coupon or Talon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

Registered Notes

Each Tranche of Registered Notes will be in the form of either Individual Note Certificates or a Global Registered Note, in each case as specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be). Each Global Registered Note will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and registered in the name of a nominee for such depositary and will be exchangeable for Individual Note Certificates in accordance with its terms.

If the relevant Final Terms or the relevant Pricing Supplement (as the case may be) specifies the form of Notes as being "Individual Note Certificates", then the Notes will at all times be in the form of Individual Note Certificates issued to each Noteholder in respect of its respective holdings.

If the relevant Final Terms or the relevant Pricing Supplement (as the case may be) specifies the form of Notes as being "Global Registered Note exchangeable for Individual Note Certificates", then the Notes will

initially be in the form of a Global Registered Note which will be exchangeable in whole, but not in part, for Individual Note Certificates:

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be); or
- (ii) at any time, if so specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be); or
- (iii) if: (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business and no successor clearing system is available; or (b) an Event of Default as defined in Condition 13 (*Events of Default*) occurs and Notes become due and payable.

Whenever the Global Registered Note is to be exchanged for Individual Note Certificates, the Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Registered Note within five business days of the delivery, by or on behalf of the registered holder of the Global Registered Note to the Registrar of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Registered Note at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Individual Note Certificate will be endorsed on that Individual Note Certificate and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Final Terms or the relevant Pricing Supplement (as the case may be), which supplement replace those terms and conditions.

The terms and conditions applicable to any Global Registered Note will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, as completed by the relevant Final Terms or, as applicable, as completed, modified and/or supplemented by the relevant Pricing Supplement (as defined below), will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Summary of Provisions Relating to the Notes while in Global Form" below.

In the case of a Tranche of Notes which will not be admitted to listing or trading on a UK regulated market for the purposes of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 and/or offered to the public in the United Kingdom other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the UK Prospectus Regulation (as defined herein) ("**Exempt Notes**") and, accordingly, no base prospectus will be required to be produced in accordance with Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"), a pricing supplement (a "**Pricing Supplement**") will be issued describing the final terms of such Tranche of Exempt Notes.

1. **Introduction**

(a) **Programme**

Gulf International Bank B.S.C. (the "**Issuer**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to U.S.\$2,500,000,000 in aggregate principal amount of notes (the "**Notes**").

(b) **Final Terms**

Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of a final terms (the "**Final Terms**") which supplements these terms and conditions (the "**Conditions**") (other than a Tranche of Exempt Notes which is the subject of a Pricing Supplement). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms or, in the case of Exempt Notes, as completed, modified and/or supplemented by the relevant Pricing Supplement. In the event of any inconsistency between these Conditions and the relevant Final Terms or the relevant Pricing Supplement (as the case may be), the relevant Final Terms or the relevant Pricing Supplement shall prevail.

(c) **Agency Agreement**

The Notes are the subject of an amended and restated fiscal and paying agency agreement dated 24 July 2023 (the "**Agency Agreement**") between the Issuer, Citibank N.A., London Branch as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes), as paying agent (the "**Paying Agent**" and, together with any successor or additional paying agents appointed from time to time in connection with the Notes, the "**Paying Agents**") and as transfer agent (the "**Transfer Agent**" and, together with any successor or additional transfer agents appointed from time to time in connection with the Notes, the "**Transfer Agents**") and Citibank Europe Plc as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes). In these Conditions references to the "**Agents**" are to the Paying Agents and the Transfer Agents and any reference to an "**Agent**" is to any one of them.

(d) **Deed of Covenant**

The Notes may be issued in bearer form ("**Bearer Notes**"), or in registered form ("**Registered Notes**"). Registered Notes are constituted by a deed of covenant dated 24 July 2023 (the "**Deed of Covenant**") entered into by the Issuer.

(e) ***The Notes***

All subsequent references in these Conditions to "**Notes**" are to the Notes which are the subject of the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement.

(f) ***Summaries***

Certain provisions of these Conditions are summaries of the Agency Agreement and the Deed of Covenant and are subject to their detailed provisions. Noteholders and the holders of the related interest coupons (the "**Coupons**") and talons for further Coupons (the "**Talons**"), if any, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Agents, the initial Specified Offices of which are set out below.

2. **Interpretation**

(a) ***Definitions***

"**2006 ISDA Definitions**" means, in relation to a Series of Notes, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of such Series) as published by ISDA;

"**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the date of issue of the first Tranche of Notes of such Series, as published by ISDA;

"**€STR**" has the meaning given in Condition 7(d) (*Floating Rate Note Provisions - Screen Rate Determination for Floating Rate Notes referencing SOFR, SONIA or €STR*);

"**Accrual Yield**" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

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

- (i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (ii) (if no such recommendation has been made, or in the case of an Alternative Reference Rate) the Independent Adviser (following consultation with the Issuer) determines is customarily applied to the relevant Successor Rate or the Alternative Reference Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the relevant Reference Rate; or

- (iii) (if no such determination has been made) the Independent Adviser (following consultation with the Issuer) determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the relevant Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as the case may be) (unless the Independent Adviser considers that any adjustment spread based on over the counter derivative transactions is not appropriate for determining the Adjustment Spread in respect of the Notes); or
- (iv) (if the Independent Adviser (following consultation with the Issuer) determines that no such industry standard is recognised or acknowledged or if the Independent Adviser considers that any adjustment spread based on over the counter derivative transactions is not appropriate for determining the Adjustment Spread in respect of the Notes) the Independent Adviser (following consultation with the Issuer) or the Issuer (as applicable) determines (acting in good faith and in a commercially reasonable manner) in their sole discretion to be appropriate to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Successor Rate or Alternative Reference Rate (as applicable);

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

"**Assets**" means in relation to any Person, all or any part of its business, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital, wherever situated;

"**Benchmark Event**" means:

- (i) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or
- (ii) a public statement by the administrator of the relevant Reference Rate that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased publishing such Reference Rate permanently or indefinitely or that it will cease to do so by a specified future date (the "**Specified Future Date**"); or
- (iii) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by a specified future date (the "**Specified Future Date**"), be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate will, by a specified future date (the "**Specified Future Date**"), be prohibited from being used, or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or
- (v) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) that, in the view of such supervisor, (i) such Reference Rate is or will, by a specified future date (the "**Specified Future Date**"), be no longer

representative of an underlying market or (ii) the methodology to calculate such Reference Rate has materially changed; or

- (vi) it has or will, by a specified date within the following six months, become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable).

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

"Business Day":

- (i) means in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre;
- (ii) means in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre; and
- (iii) in respect of Notes for which the Reference Rate is specified as SOFR in the relevant Final Terms, has the meaning given in Condition 7(d) (*Floating Rate Note Provisions - Screen Rate Determination for Floating Rate Notes referencing SOFR, SONIA or €STR*);

"Business Day Convention", in relation to any particular date, has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement and, if so specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) **"FRN Convention"**, **"Floating Rate Convention"** or **"Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as the Specified Period after the calendar month in which the preceding such date occurred, provided that:
 - (A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

- (C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (v) "**No Adjustment**" means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"**Calculation Agent**" means the Fiscal Agent or such other Person specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be);

"**Calculation Amount**" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"**Change of Control Put Event**" has the meaning given in Condition 9(e)(ii) (*Redemption and Purchase – Redemption at the option of Noteholders*);

"**Change of Control Put Event Notice**" has the meaning given in Condition 9(e)(ii) (*Redemption and Purchase – Redemption at the option of Noteholders*);

"**Change of Control Put Option**" has the meaning given in Condition 9(e)(ii) (*Redemption and Purchase – Redemption at the option of Noteholders*);

"**Change of Control Put Option Notice**" has the meaning given in Condition 9(e)(ii) (*Redemption and Purchase – Redemption at the option of Noteholders*) and in the form of schedule 5 of the Agency Agreement;

"**Change of Control Put Period**" has the meaning given in Condition 9(e)(ii) (*Redemption and Purchase – Redemption at the option of Noteholders*);

"**Change of Control Redemption Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"**Controlled**" means where that one Person is controlled by another that that other (whether by the ownership of share capital, the possession of voting power, contract or otherwise) has the power to appoint and/or remove all or the majority of the members of the Board of Directors or other governing body of that Person or otherwise controls or has the power to control the affairs and policies of that Person;

"**Coupon Sheet**" means, in respect of a Note, a coupon sheet relating to the Note;

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Conditions or the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement and:

- (i) if "**Actual/Actual (ICMA)**" is so specified, means:
 - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

- (b) where the Calculation Period is longer than one Regular Period, the sum of:
- (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (ii) if "**Actual/Actual (ISDA)**" or "**Actual/Actual**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iv) if "**Actual/365 (Sterling)**" is so specified, means the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (v) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (vi) if "**30/360**", "**360/360**" or "**Bond Basis**" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

- (vii) if "**30E/360**" or "**Eurobond Basis**" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

- (viii) if "**30E/360 (ISDA)**" is so specified, means the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

"**D₁**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30,

provided that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

"Early Redemption Amount (Tax)" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Early Termination Amount" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, these Conditions, the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Exempt Notes" means Notes issued by the Issuer for which no base prospectus is required to be published under the UK Prospectus Regulation;

"Extraordinary Resolution" has the meaning given in the Agency Agreement;

"Final Redemption Amount" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Financial Stability Board" means the organisation established by the Group of Twenty (G20) in April 2009;

"First Interest Payment Date" means the date specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Fixed Coupon Amount" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Global Registered Note" has the meaning given in the Agency Agreement;

"Group" means the Issuer and its Subsidiaries taken as a whole at any given time;

"Guarantee" means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation):

- (i) any obligation to purchase such Indebtedness;
- (ii) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;
- (iii) any indemnity against the consequences of a default in the payment of such Indebtedness; and
- (iv) any other agreement to be responsible for such Indebtedness;

"Holder", in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination, Title and Transfer – Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination, Title and Transfer – Title to Registered Notes*);

"IFRS" means International Financial Reporting Standards as published by the International Accounting Standards Board (as amended, supplemented or re-issued from time to time);

"Indebtedness" means any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of:

- (i) amounts raised by acceptance under any acceptance credit facility;
- (ii) amounts raised under any note purchase facility;
- (iii) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;

- (iv) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days; and
- (v) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

"Independent Adviser" means an independent financial institution of international repute or other independent financial adviser of recognised standing with relevant experience in the international debt capital markets, in each case appointed by the Issuer at its own expense;

"Individual Note Certificate" has the meaning given in the Agency Agreement;

"Interest Amount" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"Interest Commencement Date" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Interest Determination Date" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Interest Payment Date" means the First Interest Payment Date and any date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement and, if a Business Day Convention is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be):

- (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the First Interest Payment Date) or the previous Interest Payment Date (in any other case);

"Interest Period" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date (or, if the Notes are redeemed on any earlier date, the relevant redemption date);

"ISDA" means the International Swaps and Derivatives Association, Inc. (or any successor);

"ISDA Definitions" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Issue Date" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

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

"Margin" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

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

- (i) has total income representing 15 per cent. or more of the consolidated gross income of the Group (excluding intra-Group income); or
- (ii) has total assets representing 15 per cent. or more of the consolidated total assets of the Group,

in each case calculated on a consolidated basis in accordance with IFRS, as consistently applied. Compliance with the conditions set out in paragraphs (i) and (ii) above shall be determined by reference to the latest audited or unaudited consolidated annual or, as the case may be, audited or unaudited consolidated interim financial statements of that Subsidiary and the latest audited consolidated annual or, as the case may be, audited or unaudited consolidated interim financial statements of the Group. A report by two Directors of the Issuer that in their opinion a Subsidiary of the Issuer is or is not or was or was not at any particular time or through any particular period a Subsidiary shall (in the absence of manifest or proven error) be conclusive and binding on the parties;

"Maturity Date" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Maximum Rate of Interest" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement, including any relevant Margin;

"Maximum Redemption Amount" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Minimum Rate of Interest" for any Interest Period has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement but shall never be less than zero, including any relevant Margin;

"Minimum Redemption Amount" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Noteholder", in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination, Title and Transfer – Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination, Title and Transfer – Title to Registered Notes*);

"Optional Redemption Amount (Call)" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Optional Redemption Amount (Put)" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Optional Redemption Date (Call)" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Optional Redemption Date (Change of Control)" has the meaning given in Condition 9(e)(ii) (*Redemption and Purchase – Redemption at the option of Noteholders*);

"Optional Redemption Date (Put)" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Participating Member State" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty;

"Payment Business Day" means:

- (i) if the currency of payment is euro, any day which is:
 - (A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (B) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (ii) if the currency of payment is not euro, any day which is:
 - (A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (B) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

"Permitted Security Interest" means, any Security Interest created by the Issuer or any Subsidiary over the whole or any part of its present or future assets or revenues where such assets or revenues are comprised of the following (or are otherwise qualifying collateral for issues of covered bonds pursuant to any relevant contractual arrangements and/or specific provisions of the laws of the Kingdom of Bahrain relating to covered bonds): (i) mortgage receivables; or (ii) asset-backed securities backed by any of the assets under paragraph (i); or (iii) any other assets permitted by Bahraini law to collateralise the covered bonds, in each case provided that the creation of such security interest is solely pursuant to the relevant contractual arrangements effecting an issue of covered bonds or, as the case may be, specific provisions of the laws of the Kingdom of Bahrain relating to covered bonds applicable at the time of creation of such Security Interest, and provided that the aggregate outstanding principal, capital or nominal amount secured by any such Security Interest shall not at any time exceed an amount equal to 20 per cent. of the share capital and reserves of the Issuer as provided in the most recent published audited, consolidated annual accounts of the Group;

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

"Principal Financial Centre" means, in relation to any currency, the principal financial centre for that currency, provided that:

- (i) in relation to euro, it means the principal financial centre of such Member State of the European Economic Area or the United Kingdom as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (ii) in relation to Australian dollars, it means either Sydney or Melbourne and, in relation to New Zealand dollars, it means either Wellington or Auckland; in each case as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

"Put Option Notice" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"Put Option Receipt" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"Rate of Interest" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms or the relevant Pricing Supplement (as the case may be);

"Redemption Amount" means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Change of Control Redemption Amount, the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms or the relevant Pricing Supplement (as the case may be);

"Reference Banks" means the four major banks selected by the Issuer in the market that is most closely connected with the Reference Rate;

"Reference Price" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Reference Rate" means one of the following benchmark rates (as specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement) in respect of the currency and period specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement:

- (i) Euro-Zone interbank offered rate ("**EURIBOR**");
- (ii) Shanghai interbank offered rate ("**SHIBOR**");
- (iii) Hong Kong interbank offered rate ("**HIBOR**");
- (iv) Singapore interbank offered rate ("**SIBOR**");
- (v) Emirates interbank offered rate ("**EIBOR**");
- (vi) Saudi Arabia interbank offered rate ("**SAIBOR**");
- (vii) Australia Bank Bill Swap ("**BBSW**");
- (viii) Prague interbank offered rate ("**PRIBOR**");
- (ix) Turkish Lira interbank offered rate ("**TRLIBOR**" or "**TRYLIBOR**");
- (x) Tokyo interbank offered rate ("**TIBOR**");
- (xi) Mumbai interbank offered rate ("**MIBOR**");
- (xii) New Zealand bank bill benchmark ("**BKBM**");
- (xiii) Bahrain Dinar interbank offered rate ("**BHIBOR**");
- (xiv) Kuwait interbank offered rate ("**KIBOR**");
- (xv) Qatar interbank offered rate ("**QIBOR**");
- (xvi) Oman interbank offered rate ("**OMIBOR**");
- (xvii) SONIA;
- (xviii) SOFR; and
- (xix) €STR.

"Register" has the meaning given in the Agency Agreement;

"Regular Period" means:

- (i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the First Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **"Regular Date"** means the day and month (but not the year) on which any Interest Payment Date falls; and
- (iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **"Regular Date"** means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

"Relevant Date" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"Relevant Financial Centre" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Relevant Indebtedness" means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other similar instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

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

- (i) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of:
 - (A) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the benchmark or screen rate (as applicable) relates,
 - (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable),
 - (C) a group of the aforementioned central banks or other supervisory authorities,
 - (D) the International Swaps and Derivatives Association, Inc. or any part thereof, or
 - (E) the Financial Stability Board or any part thereof;

"Relevant Screen Page" means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"Relevant Time" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Reserved Matter" means any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

"Security Interest" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

"SOFR" has the meaning given in Condition 7(d) (*Floating Rate Note Provisions - Screen Rate Determination for Floating Rate Notes referencing SOFR, SONIA or €STR*);

"SOFR Determination Time" has the meaning given in Condition 7(d) (*Floating Rate Note Provisions - Screen Rate Determination for Floating Rate Notes referencing SOFR, SONIA or €STR*);

"SONIA" has the meaning given in Condition 7(d) (*Floating Rate Note Provisions - Screen Rate Determination for Floating Rate Notes referencing SOFR, SONIA or €STR*);

"Specified Currency" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Specified Denomination(s)" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Specified Office" has the meaning given in the Agency Agreement;

"Specified Period" has the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement;

"Subsidiary" means, in relation to any Person (its "**holding company**") at any particular time, any other Person which is then Controlled, or more than 50 per cent. of whose issued equity share capital (or the like) is then beneficially owned, directly or indirectly, by that Person;

"Successor Rate" means the reference rate (and related alternative screen page or source, if available) that the Independent Adviser or the Issuer (as applicable) determines is a successor to or replacement of the relevant Reference Rate which is formally recommended by any Relevant Nominating Body;

"T2" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system or any successor or replacement for that system;

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

"Treaty" means the Treaty establishing the European Communities; and

"Zero Coupon Note" means a Note specified as such in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement.

(b) ***Interpretation***

In these Conditions:

- (i) if the Notes are Zero Coupon Notes or are Registered Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 12 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 12 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being "**outstanding**" shall be construed in accordance with the Agency Agreement;
- (vii) if an expression is stated in Condition 2(a) (*Interpretation – Definitions*) to have the meaning given in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement, but the relevant Final Terms or the relevant Pricing Supplement (as the case may be) gives no such meaning or specifies that such expression is "**not applicable**" then such expression is not applicable to the Notes;
- (viii) any reference to the Agency Agreement and/or the Deed of Covenant shall be construed as a reference to the Agency Agreement and/or the Deed of Covenant (as applicable) as amended and/or supplemented up to and including the Issue Date of the Notes and;
- (ix) any reference in these Conditions to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

3. **Form, Denomination, Title and Transfer**

(a) ***Bearer Notes***

Bearer Notes are in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), Talons attached at the time of issue. The Specified Denomination(s) may include a minimum denomination specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) and higher integral multiples of a smaller amount specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be). In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.

(b) ***Title to Bearer Notes***

Title to Bearer Notes and the Coupons will pass by delivery. In the case of Bearer Notes, "**Holder**" means the holder of such Bearer Note and "**Noteholder**" and "**Couponholder**" shall be construed accordingly.

(c) ***Registered Notes***

Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) and higher integral multiples of a smaller amount specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be).

(d) ***Title to Registered Notes***

The Registrar will maintain the Register in accordance with the provisions of the Agency Agreement. A certificate (each, a "**Note Certificate**") will be issued to each Holder of Registered Notes in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register. In the case of Registered Notes, "**Holder**" means the person in whose name such Registered Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly.

(e) ***Ownership***

The Holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or, in the case of Registered Notes, on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such Holder. No Person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

(f) ***Transfers of Registered Notes***

Subject to Condition 3(i) (*Form, Denomination, Title and Transfer – Closed periods*) and Condition 3(j) (*Form, Denomination, Title and Transfer – Regulations concerning transfers and registration*) below, a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer, provided that a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a Holder are being transferred) the principal amount of the balance of Registered Notes not transferred are Specified Denominations. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.

(g) ***Registration and delivery of Note Certificates***

Within five business days of the surrender of a Note Certificate in accordance with Condition 3(f) (*Form, Denomination, Title and Transfer – Transfers of Registered Notes*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, "**business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

(h) ***No charge***

The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(i) ***Closed periods***

Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes.

(j) ***Regulations concerning transfers and registration***

All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

4. **Status of the Notes**

(a) ***Status of the Senior Notes***

This Condition 4 is applicable to the Notes only if the Notes are specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being Senior Notes.

The Notes constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 5 (*Negative Pledge*)) unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding. The Issuer shall execute such instruments and do such acts as may be required under the laws of the Kingdom of Bahrain to ensure the effectiveness of such ranking following any change in any law or regulation relating thereto which becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Senior Notes and which requires the Issuer to take such action.

(b) ***Status of the Subordinated Notes***

This Condition 4(b) is applicable to the Notes only if the Notes are specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being Subordinated Notes.

The Notes constitute subordinated obligations of the Issuer and rank *pari passu* and without any preference between themselves. In the event of the forced liquidation of the Issuer for the purposes of Article 156 of the Central Bank of Bahrain and Financial Institutions Law, Decree Law No. 64/2006 ("**forced liquidation**"), the payment obligations of the Issuer under the Notes shall rank after unsubordinated and unsecured creditors of the Issuer but *pari passu* with all other subordinated obligations of the Issuer that are not expressed to rank junior or senior to the Subordinated Notes and in priority to the claims of all shareholders of the Issuer (including the holders of all preference shares of the Issuer). The Issuer shall execute such instruments and do such acts as may be required by the laws of the Kingdom of Bahrain to ensure the effectiveness of such ranking.

5. **Negative Pledge**

(a) ***Application***

This Condition 5 is applicable to the Notes only if the Notes are specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being Senior Notes.

(b) ***Covenant***

So long as any Note remains outstanding, the Issuer shall not, and the Issuer shall procure that none of its Subsidiaries will, create or permit to subsist any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness or Guarantee of Relevant Indebtedness other than a Permitted Security Interest without: (a) at the same time or prior thereto securing the Notes equally and rateably therewith; or (b) providing such other security for the Notes as may be approved by an Extraordinary Resolution of the Noteholders.

6. **Fixed Rate Note Provisions**

(a) ***Application***

This Condition 6 is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being applicable.

(b) ***Accrual of interest***

The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments – Bearer Notes*) and Condition 11 (*Payments – Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) ***Fixed Coupon Amount***

The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

(d) ***Calculation of interest amount***

The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

7. **Floating Rate Note Provisions**

(a) ***Application***

This Condition 7 is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being applicable.

(b) ***Accrual of interest***

The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments – Bearer Notes*) and Condition 11 (*Payments – Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

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

If Screen Rate Determination is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be (other than in respect of Notes for which SONIA, SOFR or €STR as the Reference Rate in the relevant Final Terms or the relevant Pricing Supplement (as the case may be)) determined by the Calculation Agent on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Issuer will:
 - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
 - (B) provide such quotations to the Calculation Agent who shall determine the arithmetic mean of such quotations; and
- (iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, requested and selected by the Issuer, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period

equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined, provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, and provided further that such failure is not due to the occurrence of a Benchmark Event, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

If the Rate of Interest cannot be determined because of the occurrence of a Benchmark Event, the Rate of Interest shall be calculated in accordance with the terms of Condition 7(l) (*Floating Rate Note Provisions - Benchmark Replacement – Independent Advisor*).

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

If (i) Screen Rate Determination is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as the manner in which the Rate(s) of Interest is/are to be determined, (ii) SONIA, SOFR or €STR is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as the Reference Rate and (iii) Index Determination is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being not applicable:

- (i) Where the Calculation Method in respect of the relevant Series of Notes is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being "Compounded Daily", the Rate of Interest for each Interest Period will, subject as provided below, be the Compounded Daily Reference Rate plus or minus (as indicated in the relevant Final Terms or the relevant Pricing Supplement (as the case may be)) the Margin, all as determined by the Calculation Agent.
- (ii) Where the Calculation Method in respect of the relevant Series of Floating Rate Notes is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being "Weighted Average", the Rate of Interest for each Interest Period will, subject to as provided below, be the Weighted Average Reference Rate (as defined below) plus or minus (as indicated in the relevant Final Terms or the relevant Pricing Supplement (as the case may be)) the Margin and will be calculated by the Calculation Agent on the Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.
- (iii) For the purposes of this Condition 7(d):

"€STR" means, in respect of any Business Day, a reference rate equal to the daily euro short-term rate for such euro Business Day as provided by the European Central Bank, as the administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it 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 Business Day immediately following such Business Day in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

"Applicable Period" means,

- (A) where "Lag", "Lock-out" or "Payment Delay" is specified as the Observation Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), the relevant Interest Period; and

(B) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), the Observation Period relating to such Interest Period;

"**Business Day**" in this Condition means (i) where "SOFR" is specified as the Reference Rate, a U.S. Government Securities Business Day; (ii) where "SONIA" is specified as the Reference Rate, a London Banking Day; and (iii) where "€STR" is specified as the Reference Rate, a TARGET Settlement Day;

"**Compounded Daily Reference Rate**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate (as indicated in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) and further provided for below) as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards:

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

"**D**" is the number specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be);

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

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

"**Effective Interest Payment Date**" means any date or dates specified as such in the relevant Final Terms or the relevant Pricing Supplement (as the case may be);

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

"**Lock-out Period**" means the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Interest Payment Date;

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

"**New York Fed's Website**" means the website of the Federal Reserve Bank of New York currently at <http://www.newyorkfed.org>, or any successor website of the Federal Reserve Bank of New York;

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

"**p**" means, for any Interest Period:

(A) where "Lag" is specified as the Observation Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), the

number of Business Days included in the Observation Look-back Period specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) (or, if no such number is specified, five Business Days);

- (B) where "Lock-out" or "Payment Delay" is specified as the Observation Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), zero; or
- (C) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), the number of Business Days included in the Observation Look-back Period specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) (or, if no such number is specified, five Business Days);

"r" means:

- (A) where in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) "SONIA" is specified as the Reference Rate and either "Lag" or "Observation Shift" is specified as the Observation Method, in respect of any Business Day, the SONIA rate in respect of such Business Day;
- (B) where in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) "SOFR" is specified as the Reference Rate and either "Lag" or "Observation Shift" is specified as the Observation Method, in respect of any Business Day, the SOFR in respect of such Business Day;
- (C) where in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) "€STR" is specified as the Reference Rate and either "Lag" or "Observation Shift" is specified as the Observation Method, in respect of any Business Day, the €STR in respect of such Business Day;
- (D) where in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) "SONIA" is specified as the Reference Rate and "Lock-out" is specified as the Observation Method:
 - (1) in respect of any Business Day "i" that is a Reference Day, the SONIA rate in respect of the Business Day immediately preceding such Reference Day, and
 - (2) in respect of any Business Day "i" that is not a Reference Day (being a Business Day in the Lock-out Period), the SONIA rate in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the Interest Determination Date);
- (E) where in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) "SOFR" is specified as the Reference Rate and "Lock-out" is specified as the Observation Method:
 - (1) in respect of any Business Day "i" that is a Reference Day, the SOFR in respect of the Business Day immediately preceding such Reference Day, and
 - (2) in respect of any Business Day "i" that is not a Reference Day (being a Business Day in the Lock-out Period), the SOFR in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the Interest Determination Date);

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

"Rate Cut-off Date" has the meaning given in the relevant Final Terms or the relevant Pricing Supplement (as the case may be);

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

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

"SOFR" means, in respect of any Business Day, a reference rate equal to the daily Secured Overnight Financing Rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Fed's Website, in each case on or about 5:00 p.m. (New York City Time) on the Business Day immediately following such Business Day (the **"SOFR Determination Time"**);

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

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

"**Weighted Average Reference Rate**" means:

- (A) where "Lag" is specified as the Observation Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Observation Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Observation Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day; and
 - (B) where "Lock-out" is specified as the Observation Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Interest Period, calculated by multiplying each relevant Reference Rate by the number of days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Period, provided however that for any calendar day of such Interest Period falling in the Lock-out Period, the relevant Reference Rate for each day during that Lock-out Period will be deemed to be the Reference Rate in effect for the Reference Day immediately preceding the first day of such Lock-out Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall, subject to the proviso above, be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day.
- (iv) Where "SONIA" is specified as the Reference Rate in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), if, in respect of any Business Day, SONIA is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such Reference Rate shall, subject to Condition 7(1) (*Floating Rate Note Provisions - Benchmark Replacement – Independent Advisor*), be:
- (A) (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant Business Day; plus (ii) the mean of the spread of SONIA to the Bank Rate over the previous five Business Days on which SONIA has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
 - (B) if the Bank Rate is not published by the Bank of England at close of business on the relevant Business Day, (a) the SONIA rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the

SONIA rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (b) if this is more recent, the latest determined rate under (A),

and in each case, "SONIA" in this Condition 7(d) shall be interpreted accordingly.

- (v) Where "SOFR" is specified as the Reference Rate in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), if, in respect of any Business Day, SOFR is not available on the Relevant Screen Page, subject to Condition 7(m) (*Floating Rate Note Provisions - Benchmark Replacement – SOFR*), such Reference Rate shall be the SOFR for the first preceding Business Day on which the SOFR was published on the Relevant Screen Page; (and "SOFR" in this Condition 7(d) shall be interpreted accordingly).
- (vi) Where "€STR" is specified as the Reference Rate in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) if, in respect of any Business Day, €STR is not available on the Relevant Screen Page, subject to Condition 7(l) (*Floating Rate Note Provisions - Benchmark Replacement – Independent Advisor*), such Reference Rate shall be the €STR for the first preceding Business Day on which the €STR was published on the Relevant Screen Page; (and "€STR" in this Condition 7(d) shall be interpreted accordingly).
- (vii) If "Payment Delay" is specified as the Observation Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being applicable, all references in these Conditions to interest on the Notes being payable on an Interest Payment Date shall be read as references to interest on the Notes being payable on an Effective Interest Payment Date instead.
- (viii) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, but without prejudice to Condition 7(l) (*Floating Rate Note Provisions - Benchmark Replacement – Independent Advisor*) or Condition 7(m) (*Floating Rate Note Provisions - Benchmark Replacement – SOFR*), as applicable, the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

If the relevant Series of Notes become due and payable in accordance with Condition 9 (*Redemption and Purchase*) or Condition 13 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(e) ***SONIA Compounded Index and SOFR Compounded Index (Screen Rate Determination)***

If (i) Screen Rate Determination is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as the manner in which the Rate(s) of Interest is/are to be determined and (ii) Index Determination is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being applicable, the

Rate of Interest for each Interest Period will be the compounded daily reference rate for the relevant Interest Period, calculated in accordance with the following formula:

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

and rounded to the Relevant Decimal Place, plus or minus the Margin (if any), all as determined and calculated by the Calculation Agent, where:

"**Compounded Index**" means either (i) the SONIA Compounded Index where the "SONIA" is specified as the Reference Rate in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) or (ii) the SOFR Compounded Index where the "SOFR" is specified as the Reference Rate in the relevant Final Terms or the relevant Pricing Supplement (as the case may be);

"**Compounded Index End**" means the relevant Compounded Index value on the End date;

"**Compounded Index Start**" means the relevant Compounded Index value on the Start date;

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

"**End**" means the day falling the Relevant Number of Index Days prior to the Interest Payment Date for such Interest Period, or such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

"**Index Days**" means, in the case of the SONIA Compounded Index, London Banking Days, and, in the case of the SOFR Compounded Index, U.S. Government Securities Business Days;

"**Numerator**" means, in the case of the SONIA Compounded Index, 365 and, in the case of the SOFR Compounded Index, 360;

"**Relevant Decimal Place**" shall, unless otherwise specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), be the fifth decimal place, rounded up or down, if necessary (with 0.000005 or, as the case may be, 0.00000005 being rounded upwards);

"**Relevant Number**" is as specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) but, unless otherwise specified shall be five;

"**SOFR Compounded Index**" means the Compounded SOFR rate as published at 15:00 (New York time) by the Federal Reserve Bank of New York (or a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source;

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

"**Start**" means the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Period.

If, with respect to any Interest Period, the relevant rate is not published for the relevant Compounded Index either on the relevant Start or End date, then the Calculation Agent shall calculate the rate of interest for that Interest Period in accordance with Condition 7(d) (*Floating Rate Note Provisions - Screen Rate Determination for Floating Rate Notes referencing SOFR, SONIA or €STR*) as if Index Determination was specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being not

applicable. For these purposes, (i) the Calculation Method shall be deemed to be Compounded Daily, (ii) the Observation Method shall be deemed to be Observation Shift, (iii) the Observation Look-back Period shall be deemed to be the Relevant Number (as defined in this Condition 7(e) and (iv) "D" shall be deemed to be the Numerator as defined in this Condition 7(e). If (i) (in the case of SONIA Compounded Index) a Benchmark Event has occurred in respect of SONIA, the provisions of Condition 7(l) (*Floating Rate Note Provisions - Benchmark Replacement – Independent Advisor*) shall apply *mutatis mutandis* in respect of this Condition 7(e) and (ii) (in the case of SOFR Compounded Index) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of SOFR, the provision of Condition 7(m) (*Floating Rate Note Provisions - Benchmark Replacement - SOFR*) shall apply *mutatis mutandis* in respect of this Condition 7(e), as applicable.

(f) **ISDA Determination**

If ISDA Determination is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

If the relevant Final Terms or the relevant Pricing Supplement (as the case may be) specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:

- (i) the Floating Rate Option is as specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be);
- (ii) the Designated Maturity, if applicable is a period specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be);
- (iii) the relevant Reset Date unless otherwise specified in the relevant Final Terms or Pricing Supplement (as the case may be), has the meaning given to it in the ISDA Definitions;
- (iv) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms or Pricing Supplement (as the case may be), the rate for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates based on the relevant Floating Rate Option, where;
 - (A) one rate 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
 - (B) the other rate 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 than the length of the relevant Interest Period or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall calculate the Rate of Interest at such time and by reference to such sources as the Issuer, in consultation with an Independent Adviser appointed by the Issuer (and such Independent Adviser acting in good faith and in a commercially reasonable manner), determines appropriate;

- (v) if the specified Floating Rate Option is an Overnight Floating Rate Option, Compounding is specified to be applicable in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) and:
 - (1) if Compounding with Lookback is specified as the Compounding Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) then (a) Compounding with Lookback is the Overnight Rate Compounding Method and (b) Lookback is the number of Applicable Business Days specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be);
 - (2) if Compounding with Observation Period Shift is specified as the Compounding Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) then (a) Compounding with Observation Period Shift is the Overnight Rate Compounding Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be); or
 - (3) if Compounding with Lockout is specified as the Compounding Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) then (a) Compounding with Lockout is the Overnight Rate Compounding Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be);
- (vi) if the specified Floating Rate Option is an Overnight Floating Rate Option, Averaging is specified to be applicable in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) and:
 - (4) if Averaging with Lookback is specified as the Averaging Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) then (a) Averaging with Lookback is the Overnight Rate Averaging Method and (b) Lookback is the number of Applicable Business Days specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be);
 - (5) if Averaging with Observation Period Shift is specified as the Averaging Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) then (a) Averaging with Observation Period Shift is the Overnight Rate Averaging Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be); or
 - (6) if Averaging with Lockout is specified as the Averaging Method in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) then (a) Averaging with Lockout is the Overnight Rate Averaging Method, (b) Lockout is the number of Lockout Period Business Days specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) and (c) Lockout Period Business Days, if applicable, are the days specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be); and

- (vii) if the specified Floating Rate Option is an Index Floating Rate Option and Index Provisions are specified to be applicable in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), the Compounded Index Method with Observation Period Shift shall be applicable and, (a) Observation Period Shift is the number of Observation Period Shift Business Days specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) and (b) Observation Period Shift Additional Business Days, if applicable, are the days specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be);

References in the ISDA Definitions to:

- (A) "**Confirmation**" shall be references to the relevant Final Terms or the relevant Pricing Supplement (as the case may be);
- (B) "**Calculation Period**" shall be references to the relevant Interest Period;
- (C) "**Termination Date**" shall be references to the Maturity Date;
- (D) "**Effective Date**" shall be references to the Interest Commencement Date; and

If the relevant Final Terms or the relevant Pricing Supplement (as the case may be) specifies "2021 ISDA Definitions" as being applicable:

- (A) "**Administrator/Benchmark Event**" shall be disappplied; and
- (B) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

Unless otherwise defined, capitalised terms used in this Condition 7(f) shall have the meaning ascribed to them in the relevant ISDA Definitions.

(g) ***Maximum or Minimum Rate of Interest***

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

(h) ***Calculation of Interest Amount***

The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

(i) ***Calculation of other amounts***

If the relevant Final Terms or the relevant Pricing Supplement (as the case may be) specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such

amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be).

(j) ***Publication***

The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Issuer, the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

(k) ***Notifications etc.***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(l) ***Benchmark Replacement – Independent Advisor***

Notwithstanding the provisions above in this Condition 7 and other than in the case of a U.S. dollar-denominated Floating Rate Note for which the Reference Rate is specified in the relevant Final Terms as being "SOFR", if the Issuer (in consultation, to the extent practicable, with the Calculation Agent or such other person specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s)) determines that a Benchmark Event has occurred when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to a Reference Rate, then the following provisions shall apply:

- (i) the Issuer shall use reasonable endeavours to appoint an Independent Adviser as soon as reasonably practicable to determine a Successor Rate or, alternatively, if the Independent Adviser determines that there is no Successor Rate, an Alternative Reference Rate no later than 3 Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period (the "**IA Determination Cut-off Date**") for purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 7(1));
- (ii) if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Reference Rate prior to the IA Determination Cut-off Date in accordance with subparagraph (i) above, then the Issuer (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if the Issuer determines that there is no Successor Rate, an Alternative Reference Rate for purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 7(1)); provided, however, that if this subparagraph (ii) applies and the Issuer is unable or unwilling to determine a Successor Rate or an Alternative Reference Rate prior to the

Interest Determination Date relating to the next succeeding Interest Period in accordance with this subparagraph (ii), the Rate of Interest applicable to such Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period for which the Rate of Interest was determined, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period) (for the avoidance of doubt, any adjustment pursuant to this Condition 7(l) shall apply to the relevant Interest Period only and any subsequent Interest Period may be subject to the subsequent operation of this Condition 7(l));

- (iii) if a Successor Rate or an Alternative Reference Rate is determined in accordance with the preceding provisions, such Successor Rate or Alternative Reference Rate (as applicable) shall be the Reference Rate for all future Interest Periods (subject to the subsequent operation of this Condition 7(l));
- (iv) if the Independent Adviser (in consultation with the Issuer) or (if the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine whether an Adjustment Spread should be applied) the Issuer (acting in good faith and in a commercially reasonable manner) determines that (i) an Adjustment Spread should be applied to the relevant Successor Rate or the relevant Alternative Reference Rate (as applicable); and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Rate or Alternative Reference Rate (as applicable). If the Independent Adviser or the Issuer (as applicable) is unable to determine, prior to the Interest Determination Date relating to the next succeeding Interest Period, the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread;
- (v) if the Independent Adviser or the Issuer (as the case may be) determines a Successor Rate or an Alternative Reference Rate or, in each case, any Adjustment Spread, in accordance with the above provisions, the Independent Adviser or the Issuer may also specify (A) that amendments to these Conditions (including, without limitation, amendments to the definitions of Day Count Fraction, Business Day, Business Day Convention, Interest Determination Date or Relevant Screen Page) are necessary to ensure the proper operation of such Successor Rate, Alternative Reference Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**"); and (B) the terms of the Benchmark Amendments, then, at the direction and expense of the Issuer, and subject to delivery of a notice in accordance with Condition 7(l)(vi): (x) the Issuer shall vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice; and (y) the Agents shall (at the Issuer's expense), without any requirement for the consent or sanction of Noteholders, be obliged to concur with the Issuer in effecting such Benchmark Amendments;
- (vi) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable) and the specific terms of any Benchmark Amendments, give notice to the Agents and, in accordance with Condition 19 (*Notices*), the Noteholders confirming: (A) that a Benchmark Event has occurred; (B) the Successor Rate or Alternative Reference Rate (as applicable); (C) any applicable Adjustment Spread; and (D) the specific terms of the Benchmark Amendments (if any). For the avoidance of doubt, no Agent shall be liable to the Noteholders or any other person for so acting or relying on such notice, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such Noteholder or person; and

- (vii) an Independent Adviser appointed pursuant to this Condition 7(l) shall act in good faith and (in the absence of fraud) shall have no liability whatsoever to the Issuer, the Calculation Agent or Noteholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 7(l). No Noteholder consent shall be required in connection with effecting the Successor Rate or the Alternative Reference Rate (as applicable), any Adjustment Spread or any Benchmark Amendments, including for the execution of any documents, amendments or other steps by the Issuer or the Calculation Agent (if required).

(m) **Benchmark Replacement – SOFR**

This Condition 7(m) applies in the case of a U.S. dollar-denominated Floating Rate Notes for which the Reference Rate is specified in the relevant Final Terms as being "SOFR" only.

- (i) Notwithstanding the provisions above in this Condition 7, if the Issuer determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Noteholders.

Any determination, decision or election that may be made by the Issuer pursuant to this Condition, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

- (i) will be conclusive and binding absent manifest error;
- (ii) will be made in the sole discretion of the Issuer; and
- (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

Where:

"Benchmark" means, initially, SOFR, as such term is defined in Condition 7(d) (*Floating Rate Note Provisions - Screen Rate Determination for Floating Rate Notes referencing SOFR, SONIA or €STR*); provided that if the Issuer determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR or the then-current Benchmark, then "Benchmark" shall mean the applicable Benchmark Replacement.

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

- (i) the sum of: (A) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (B) the Benchmark Replacement Adjustment;
- (ii) the sum of: (A) the ISDA Fallback Rate and (B) the Benchmark Replacement Adjustment; or

- (iii) the sum of: (A) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (B) the Benchmark Replacement Adjustment;

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

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

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

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark:

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

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

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

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time

of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

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

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

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

"Reference Time" with respect to any determination of the Benchmark means (i) if the Benchmark is SOFR, the SOFR Determination Time, and (ii) if the Benchmark is not SOFR, the time determined by the Issuer after giving effect to the Benchmark Replacement Conforming Changes;

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

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

- (ii) Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under Condition 7(m)(i) above will be notified promptly by the Issuer to the Fiscal Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 19 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer:

- (A) confirming (x) that a Benchmark Transition Event has occurred, (y) the relevant Benchmark Replacement and, (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 7(m); and

(B) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.

(iii) If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 7(m), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest (as applicable) relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin or Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

8. **Zero Coupon Note Provisions**

(a) ***Application***

This Condition 8 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being applicable.

(b) ***Late payment on Zero Coupon Notes***

If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

- (i) the Reference Price; and
- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of: (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

9. **Redemption and Purchase**

(a) ***Scheduled redemption***

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 10 (*Payments – Bearer Notes*) and Condition 11 (*Payments – Registered Notes*).

(b) ***Redemption for tax reasons***

The Notes may be redeemed at the option of the Issuer in whole, but not in part:

- (i) at any time (if the Floating Rate Note Provisions are specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being not applicable); or

- (ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if:

- (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Bahrain or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes; and
- (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than:

- (1) where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due; or
- (2) where the Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this Condition 9(b), the Issuer shall deliver to the Fiscal Agent: (A) a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred of; and (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. Upon the expiry of any such notice as is referred to in this Condition 9(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 9(b).

(c) ***Redemption at the option of the Issuer***

If the Call Option is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

(d) ***Partial redemption***

If the Notes are to be redeemed in part only on any date in accordance with Condition 9(c) (*Redemption and Purchase – Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to

compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 9(c) (*Redemption and Purchase – Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

(e) ***Redemption at the option of Noteholders***

(i) If the Put Option is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being applicable, the Issuer shall, at the option of the Holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 9(e)(i), the Holder of a Note must, not less than 30 nor more than 60 days' before the relevant Optional Redemption Date (Put), deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 9(e)(i), may be withdrawn, provided that if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 9(e)(i), the depositor of such Note and not such Paying Agent shall be deemed to be the Holder of such Note for all purposes.

(ii) If the Change of Control Put Option is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being applicable and if at any time while any Note remains outstanding, the government of the Kingdom of Saudi Arabia, through the Public Investment Fund of the Kingdom of Saudi Arabia or otherwise: (i) ceases to own (directly or indirectly) more than 50 per cent. of the issued share capital of the Issuer; or (ii) otherwise ceases to control (directly or indirectly) the Issuer (a "**Change of Control Put Event**"), each Noteholder will have the option (the "**Change of Control Put Option**") (unless, prior to the giving of the Change of Control Put Event Notice (as defined below), the Issuer gives notice of its intention to redeem the Notes under Condition 9(b) (*Redemption and Purchase – Redemption for tax reasons*) or Condition 9(c) (*Redemption and Purchase – Redemption at the option of the Issuer*)) to require the Issuer to redeem or, at the Issuer's option, to purchase or procure the purchase of that Note on the Optional Redemption Date (Change of Control) (as defined below), at the Change of Control Redemption Amount together with (or, where purchased, together with an amount equal to) accrued interest (if any) to but excluding the Optional Redemption Date (Change of Control).

For the purposes of this Condition, the government of the Kingdom of Saudi Arabia will be deemed to "**control**" the Issuer if (whether directly or indirectly and whether by ownership of share capital, the possession of voting power, contract, trust or otherwise) it has the power to appoint and/or remove all or the majority of the members of the board of directors or other governing body of the Issuer or otherwise controls, or has the power to control, the affairs and policies of the Issuer.

Promptly upon the Issuer becoming aware that a Change of Control Put Event has occurred, the Issuer shall give notice (a "**Change of Control Put Event Notice**") to the Noteholders in accordance with Condition 19 (*Notices*) specifying the nature of the Change of Control Put Event and the circumstances giving rise to it and the procedure for exercising the Change of Control Put Option contained in this Condition 9(e)(ii).

To exercise the Change of Control Put Option, the Noteholder must deposit any applicable Note, together with each unmatured Coupon relating thereto (if any), with any Paying Agent for the account of the Issuer within the period (the "**Change of Control Put Period**") of 45 days after the day on which the Change of Control Put Event Notice is given, together with a duly completed Change of Control Put Option Notice in the form obtainable from any Paying Agent.

Subject to the deposit of any such Notes with a Paying Agent for the account of the Issuer as described above, the Issuer shall redeem the Notes in respect of which the Change of Control Put Option has been validly exercised as provided above on the date which is the fifth Business Day following the end of the Change of Control Put Period (the "**Optional Redemption Date (Change of Control)**"). The Paying Agent with whom a Note has been so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once so deposited with a duly completed Change of Control Put Option Notice in accordance with this Condition 9(e)(ii), may be withdrawn; provided that if, prior to the relevant Optional Redemption Date (Change of Control), any such Note becomes immediately due and payable or, upon due presentation of any such Note on or prior to the end of the Change of Control Put Period, payment of the redemption moneys is improperly withheld or refused on the relevant Optional Redemption Date (Change of Control), the Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Change of Control Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 9(e)(ii), the depositor of such Note and not such Paying Agent shall be deemed to be the Holder of such Note for all purposes.

(f) ***No other redemption***

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 9(a) (*Redemption and Purchase – Scheduled redemption*) to 9(e) (*Redemption and Purchase – Redemption at the option of Noteholders*) above.

(g) ***Early redemption of Zero Coupon Notes***

Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

- (i) the Reference Price; and
- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 9(g) or, if none is so specified, a Day Count Fraction of 30E/360.

(h) ***Purchase***

The Issuer or any of their its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, provided that all unmatured Coupons are purchased therewith.

(i) ***Cancellation***

All Notes so redeemed or purchased by the Issuer or any of its respective Subsidiaries and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold.

10. **Payments – Bearer Notes**

This Condition 10 is only applicable to Bearer Notes.

(a) ***Principal***

Payments of principal shall be made only against presentation and (provided that payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London).

(b) ***Interest***

Payments of interest shall, subject to Condition 10(h) (*Payments-Bearer Notes – Payments other than in respect of matured Coupons*) below, be made only against presentation and (provided that payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 10(a) (*Payments-Bearer Notes – Principal*) above.

(c) ***Payments in New York City***

Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if: (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due; (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions; and (iii) payment is permitted by applicable United States law.

(d) ***Payments subject to fiscal laws***

All payments in respect of the Bearer Notes are subject in all cases to: (i) any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*); and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) ***Deductions for unmatured Coupons***

If the relevant Final Terms or the relevant Pricing Supplement (as the case may be) specifies that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented without all unmatured Coupons relating thereto:

- (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment, provided that if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
- (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
 - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment, provided that where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
 - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment, provided that if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in Condition 10(a) (*Payments-Bearer Notes – Principal*) above against presentation and (provided that payment is made in full) surrender of the relevant missing Coupons.

(f) ***Unmatured Coupons void***

If the relevant Final Terms or the relevant Pricing Supplement (as the case may be) specifies that this Condition 10(f) is applicable or that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 9(b) (*Redemption and Purchase – Redemption for tax reasons*), Condition 9(c) (*Redemption and Purchase – Redemption at the option of the Issuer*), Condition 9(e) (*Redemption and Purchase – Redemption at the option of Noteholders*) or Condition 13 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

(g) ***Payments on business days***

If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the Holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) ***Payments other than in respect of matured Coupons***

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any Paying Agent

outside the United States (or in New York City if permitted by Condition 10(c) (*Payments-Bearer Notes – Payments in New York City*) above).

(i) ***Partial payments***

If a Paying Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

(j) ***Exchange of Talons***

On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 14 (*Prescription*)). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

11. **Payments – Registered Notes**

This Condition 11 is only applicable to Registered Notes.

(a) ***Principal***

Payments of principal shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Fiscal Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

(b) ***Interest***

Payments of interest shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Fiscal Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

(c) ***Payments subject to fiscal laws***

All payments in respect of the Registered Notes are subject in all cases to: (i) any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*); and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(d) ***Payments on business days***

Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed: (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent; and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from: (A) the due date for a payment not being a Payment Business Day; or (B) a cheque mailed in accordance with this Condition 11 arriving after the due date for payment or being lost in the mail.

(e) ***Partial payments***

If a Paying Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.

(f) ***Record date***

Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register: (i) in respect of the Global Registered Note, at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where "**Clearing System Business Day**" means a day on which each clearing system for which the Global Note Certificate is being held is open for business; and (ii) in respect of Individual Note Certificates, at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Registered Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

12. **Taxation**

(a) ***Gross up***

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Bahrain or any political subdivision therein or any authority therein or thereof having power to tax (the "**Relevant Tax Jurisdiction**"), unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon:

- (i) where the relevant Note or Coupon is presented for payment in the Relevant Tax Jurisdiction; or
- (ii) held by or on behalf of a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties,

assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or

- (iii) where the relevant Note or Coupon or Note Certificate is presented or surrendered for payment more than 30 days after the Relevant Date except to the extent that the Holder of such Note or Coupon would have been entitled to such additional amounts on presenting or surrendering such Note or Coupon or Note Certificate for payment on the last day of such period of 30 days.

(b) ***Taxing jurisdiction***

If payments made by the Issuer on the Notes or Coupons become generally subject at any time to any taxing jurisdiction other than the Relevant Tax Jurisdiction, references in these Conditions to the Relevant Tax Jurisdiction shall be construed as references to the Kingdom of Bahrain and/or such other jurisdiction.

(c) ***Foreign Account Tax Compliance Act Withholding***

Notwithstanding any other provision of these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Notes or Coupons for, or on account of, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

13. **Events of Default**

13.1 ***Events of Default for Senior Notes***

This Condition 13.1 is applicable to the Notes only if the Notes are specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being Senior Notes.

If any of the following events occurs:

(a) ***Non-payment***

default is made in the payment of any principal in respect of any Note for a period of seven days or more or any interest in respect of any Note for a period of 14 days or more, in each case after the due date for the same; or

(b) ***Breach of other obligations***

the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes and such default remains unremedied for 30 days after written notice thereof, addressed to the Issuer by any Noteholder, has been delivered to the Issuer or to the Specified Office of the Fiscal Agent; or

(c) ***Cross-default of Issuer or Subsidiary***

- (i) any Indebtedness of the Issuer or any of its Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period; or
- (ii) any such Indebtedness becomes (or becomes capable of being declared following a default of a payment obligation in respect of such Indebtedness) due and payable prior to its stated maturity otherwise than at the option of the Issuer or (as the case may be) the relevant Subsidiary or (provided that no event of default, howsoever described, has occurred) any Person entitled to such Indebtedness; or
- (iii) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any Guarantee of any Indebtedness,

provided that the amount of Indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above and/or the amount payable under any Guarantee referred to in sub-

paragraph (iii) above, individually or in the aggregate, exceeds U.S.\$20,000,000 (or its equivalent in any other currency or currencies); or

(d) ***Unsatisfied judgment***

one or more judgment(s) or order(s) for the payment an aggregate amount in excess of U.S.\$10,000,000 (or its equivalent in any other currency or currencies) is rendered against the Issuer or any of its Material Subsidiaries and continue(s) unsatisfied and unstayed for a period of 30 days after the date(s) thereof or, if later, the date therein specified for payment; or

(e) ***Security enforced***

a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or any material part of the undertaking, assets and revenues of the Issuer or its Material Subsidiaries; or

(f) ***Insolvency etc.***

(i) the Issuer or any of its Material Subsidiaries becomes insolvent or is unable or admits its inability to pay its debts as they fall due or stops, suspends or threatens to stop or suspend payment of all or any material part of its debts, (ii) an administrator or liquidator (or other similar official) of the Issuer or any of its Material Subsidiaries or the whole or any material part of the undertaking, assets and revenues of the Issuer or any of its Material Subsidiaries is appointed (or application for any such appointment is made) or (iii) a moratorium is declared in respect of any Indebtedness of any of the Issuer or its Material Subsidiaries; or

(g) ***Winding up etc.***

(i) an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of its Material Subsidiaries (otherwise than, in the case of a Material Subsidiary of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent), (ii) the Issuer or any of its Material Subsidiaries or any creditor of the Issuer or any of its Material Subsidiaries shall apply or petition for a winding-up or administration order in respect of the Issuer or any of its Material Subsidiaries (otherwise than, in the case of a Material Subsidiary of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent) (a) on the terms approved by an Extraordinary Resolution of the Noteholders or (b) in the case of a Material Subsidiary, whereby the undertakings and assets of the Material Subsidiary are transferred to or otherwise vested in one or more entities within the Group, (iii) the Issuer or any of its Material Subsidiaries ceases or threatens to cease to carry on all or any material part of its business (otherwise than, in the case of a Material Subsidiary of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent) (a) on the terms approved by an Extraordinary Resolution of the Noteholders or (b) in the case of a Material Subsidiary, whereby the undertakings and assets of the Material Subsidiary are transferred to or otherwise vested in one or more entities within the Group, or (iv) administration of the Issuer is assumed by the Central Bank of Bahrain under its statutory powers; or

(h) ***Analogous event***

any event occurs which under the laws of the Kingdom of Bahrain has an analogous effect to any of the events referred to in Condition 13.1(d) (*Events of Default – Events of Default for Senior Notes – Unsatisfied judgment*) to Condition 13.1(g) (*Events of Default – Events of Default for Senior Notes – Winding up etc.*) above; or

(i) ***Failure to take action etc.***

any action, condition or thing at any time required to be taken, fulfilled or done in order: (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Notes; (ii) to ensure that those obligations

are legal, valid, binding and enforceable; and (iii) to make the Notes and the Coupons admissible in evidence in the courts of the Kingdom of Bahrain is not taken, fulfilled or done; or

(j) ***Government intervention etc.***

by or under the authority of any government: (i) the management of the Issuer or any of its Material Subsidiaries is wholly or substantially displaced or the authority of the Issuer or any Material Subsidiary in the conduct of its business is wholly or substantially curtailed (in any such case, otherwise than in accordance with its agreement of establishment, articles of association or other constitutional documents); or (ii) all or a majority of the issued share capital of the Issuer or any of its Material Subsidiaries or the whole or any part (the book value of which is 20 per cent. or more of the book value of the whole) of its revenues or assets is seized, nationalised, expropriated or compulsorily acquired,

then the holder of such Note may, by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, declare any Note held by it to be immediately due and payable, whereupon the same shall become immediately due and payable at their Early Termination Amount together with accrued interest (if any) without further action or formality.

13.2 ***Events of Default for Subordinated Notes***

This Condition 13.2 is applicable to the Notes only if the Notes are specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be) as being Subordinated Notes.

If any of the following events occurs:

(a) ***Non-Payment***

default is made in the payment of any principal in respect of any Note for a period of seven days or more or any interest in respect of any Note for a period of 14 days or more, in each case after the due date for the same; or

(b) ***Winding up etc.***

the Issuer becomes insolvent, a petition is made by a creditor of the Issuer for a declaration of bankruptcy in respect of the Issuer or the dissolution of the Issuer is agreed by its shareholders or ordered by an order of the competent court, or administration of the Issuer is assumed by the Central Bank of Bahrain under its statutory powers,

then, in the case of Condition 13.2(a) (*Events of Default - Events of Default for Subordinated Notes – Non-Payment*), the holder of such Note may, at its discretion, and subject to any applicable laws, without further notice, institute proceedings for the forced liquidation of the Issuer and/or prove in any forced liquidation of the Issuer but may take no other action in respect of such default, and, in the case of Condition 13.2(b) (*Events of Default - Events of Default for Subordinated Notes – Winding up etc.*), the holder of such Note may, by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent or the Registrar, as applicable, declare any Note held by it to be immediately due and payable, whereupon the same shall become immediately due and payable at its Early Termination Amount together with accrued interest (if any) and/or prove in the forced liquidation of the Issuer.

14. **Prescription**

Claims for principal in respect of Bearer Notes shall become void unless the relevant Bearer Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest in respect of Bearer Notes shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date. Claims for principal and interest on redemption in respect of Registered Notes shall become void unless the relevant Note Certificates are surrendered for payment within ten years of the appropriate Relevant Date.

15. **Replacement of Notes and Coupons**

If any Note, Note Certificate or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent or Transfer Agent in any particular place, the Paying Agent or Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Note Certificates or Coupons must be surrendered before replacements will be issued.

16. **Agents**

- (a) In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.
- (b) The initial Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be). The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor fiscal agent or registrar or Calculation Agent and additional or successor paying agents, provided that:
 - (i) the Issuer shall at all times maintain a fiscal agent and a registrar;
 - (ii) if a Calculation Agent is specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be), the Issuer shall at all times maintain a Calculation Agent; and
 - (iii) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent and/or a Transfer Agent in any particular place, the Issuer shall maintain a Paying Agent and/or a Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system; and
 - (iv) in the circumstances described in Condition 10(c) (*Payments – Bearer Notes – Payments in New York City*), a paying agent with a Specified office in New York City.
- (c) Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders in accordance with Condition 19 (*Notices*).

17. **Meetings of Noteholders; Modification and Waiver**

(a) ***Meetings of Noteholders***

The Agency Agreement contains provisions for convening meetings (including by way of conference call or by use of a videoconference platform) of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Noteholders holding not less than five per cent. of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more Persons holding or representing not less than 50 per cent. of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, one or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented, provided that Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a

meeting of Noteholders at which one or more Persons holding or representing not less than two-thirds or, at any adjourned meeting, one-third of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

Any such meeting of the Noteholders may be convened at a physical location, or such other method (which may include, without limitation, a conference call or video conference) as the Fiscal Agent may determine in accordance with the provisions of the Agency Agreement.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) ***Modification***

The Notes, these Conditions, and the Deed of Covenant may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest or proven error, to comply with mandatory provisions of the law or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

18. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue (so that, for the avoidance of doubt, references in the conditions of such notes to "Issue Date" shall be to the first issue date of the Notes)), and so as to form a single series with the Notes.

19. **Notices**

(a) ***Bearer Notes***

Notices to the Holders of Bearer Notes shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Holders of Bearer Notes.

(b) ***Registered Notes***

Notices to the Holders of Registered Notes shall be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the fourth day after the date of mailing or for a newspaper on the date of publication.

(c) ***Stock exchanges***

The Issuer shall ensure that any notices to Noteholders are duly given in a manner which complies with the rules and regulations of any relevant authority or stock exchange on which the Notes are for the time being listed.

20. **Currency Indemnity**

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

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

21. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms or the relevant Pricing Supplement (as the case may be)): (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.); (b) all U.S. dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up); (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount; and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency (with 0.005 being rounded upwards).

22. **Governing Law and Dispute Resolution**

(a) ***Governing law***

The Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with the Notes, the Coupons and the Talons are governed by, and shall be construed in accordance with, English law, save that Condition 4(b) (*Status of the Notes – Status of the Subordinated Notes*) is governed by the laws of the Kingdom of Bahrain.

(b) ***Arbitration***

Subject to Condition 22(c) (*Governing Law and Dispute Resolution – Noteholders' option to litigate*), any dispute, claim, difference or controversy arising out of, relating to or connected with the Notes, the Coupons and the Talons (including a dispute regarding their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity or regarding any non-contractual obligations arising out of or in connection with them) (a "**Dispute**") shall be referred to and finally resolved by arbitration under the London Court of International Arbitration ("**LCIA**") Arbitration Rules (the "**Rules**"), which Rules (as amended from time to time) are deemed to be incorporated by reference into this Condition. For these purposes:

- (i) there shall be three arbitrators, each of whom shall be disinterested in the arbitration, shall have no connection with any party thereto and shall be an attorney experienced in international securities transactions. The parties to the

Dispute shall each nominate one arbitrator and both arbitrators in turn shall appoint a further arbitrator who shall be the chairman of the tribunal. In cases where there are multiple claimants and/or multiple respondents, the class of claimants jointly, and the class of respondents jointly shall each nominate one arbitrator. Without prejudice to Article 8 of the Rules, in the event that one party or both fails to nominate an arbitrator within the time limits specified by the Rules, such arbitrator(s) shall be appointed by the LCIA. If the party nominated arbitrators fail to nominate the third arbitrator within 15 days of the appointment of the second arbitrator, such arbitrator shall be appointed by the LCIA;

- (ii) the seat of the arbitration shall be London, England and all hearings shall take place in London, England;
- (iii) the language of the arbitration shall be English;
- (iv) if any Dispute raises issues which are substantially the same as or connected with issues raised in a Dispute which has already been referred to arbitration under the Notes (an "**Existing Dispute**") or arises out of substantially the same facts as are the subject of an Existing Dispute (a "**Related Dispute**"), then the arbitral tribunal nominated or appointed in respect of any such Existing Dispute shall also be nominated as the arbitral tribunal in respect of any Related Dispute, save where the arbitral tribunal considers such appointment would be inappropriate;
- (v) where the same arbitral tribunal has been appointed in relation to two or more Existing Disputes and/or Related Disputes, the arbitral tribunal may, with the agreement of all parties concerned or upon the application of one of the parties, being a party to each of the Disputes, order that the whole or part of the matters at issue shall be heard together upon such terms or conditions as the arbitral tribunal thinks fit; and
- (vi) upon the request of a party to a Dispute or upon the request of any Noteholder or any Beneficiary (as defined in the Deed of Covenant) or the Issuer which itself wishes to be joined to arbitration proceedings in relation to a Dispute, the arbitral tribunal may join the Issuer, any Noteholder or any Beneficiary to arbitration proceedings in relation to that Dispute between them. The Issuer and each Noteholder or Beneficiary hereby consents to be joined to arbitration proceedings in relation to any Dispute at the request of a party to that Dispute, and to accept the joinder of a party requesting to be joined pursuant to this sub-paragraph (vi).

(c) ***Noteholders' option to litigate***

Notwithstanding Condition 22(b) (*Governing Law and Dispute Resolution - Arbitration*), any Noteholder may, in the alternative, and at its sole discretion, by notice in writing to the Issuer:

- (i) within 28 days of service of a Request for Arbitration (as defined in the Rules); or
- (ii) in the event no arbitration is commenced,

require that a Dispute be heard by a court of law. If any Noteholder gives such notice, the Dispute to which such notice refers shall be determined in accordance with Condition 22(d) (*Governing Law and Dispute Resolution - Jurisdiction of the English courts*) and, subject as provided below, any arbitration commenced under Condition 22(b) (*Governing Law and Dispute Resolution - Arbitration*) in respect of that Dispute will be terminated. Each person who gives such notice and the recipient of that notice will bear its own costs in relation to the terminated arbitration.

If any notice to terminate is given after service of any Request for Arbitration in respect of any Dispute, the relevant Noteholder must also within 28 days of service of a Request for Arbitration give notice to the LCIA Court and to any Tribunal (each as defined in the Rules) already appointed in relation to the Dispute that such Dispute will be settled by the

courts. Upon receipt of such notice by the LCIA Court, the arbitration and any appointment of any arbitrator in relation to such Dispute will immediately terminate. Any such arbitrator will be deemed to be *functus officio*. The termination is without prejudice to:

- (i) the validity of any act done or order made by that arbitrator or by the court in support of that arbitration before their appointment is terminated;
- (ii) their entitlement to be paid their proper fees and disbursements; and
- (iii) the date when any claim or defence was raised for the purpose of applying any limitation bar or any similar rule or provision.

(d) ***Jurisdiction of the English courts***

In the event that a Noteholder issues a notice pursuant to Condition 22(c) (*Governing Law and Dispute Resolution – Noteholders' option to litigate*), the following provisions shall apply:

- (i) subject to paragraph (iii) below, the courts of England shall have exclusive jurisdiction to settle any Dispute;
- (ii) the Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary; and
- (iii) this Condition 22(d) is for the benefit of the Noteholders only. As a result, and notwithstanding sub-paragraph (i) above, any Noteholder may take proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.

(e) ***Service of process***

The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to the London branch of the Issuer situated at One Curzon Street, London W1J 5HD, United Kingdom or such other address as the Issuer may notify pursuant to Condition 19 (*Notices*) or at any address for the time being at which service of process may be served on it in accordance with the Companies Act 2006 or equivalent provisions from time to time in force. Nothing in this Condition 22(e) shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.

(f) ***Waiver of immunity***

To the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues (presently owned or subsequently acquired or generated, and whether related to the Notes or not) immunity from suit, execution, attachment (whether in aid of execution, before judgment or award or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues (presently owned or subsequently acquired or generated, and whether related to the Notes or not), the Issuer agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction and, in particular, to the intent that in any Proceedings, including Proceedings in support of arbitration and Proceedings to enforce an award, taken in the County of New York the foregoing waiver of immunity shall have the fullest scope permitted under the United States Foreign Sovereign Immunities Act of 1976 and is intended to be irrevocable for the purposes of such Act.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme which are not Exempt Notes and which (1) have a denomination of EUR100,000 (or its equivalent in any other currency) or more, and/or (2) are to be admitted to trading only on a UK regulated market, or a specific segment of a UK regulated market, to which only qualified investors (as defined in the UK Prospectus Regulation) have access.

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended, ("**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II;. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended, (the "**PRiIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRiIPs Regulation.]¹

[PROHIBITION OF SALES TO UK RETAIL INVESTORS– The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRiIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRiIPs Regulation.]²

[MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU, as amended, ("**MiFID II**")/MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.]

[UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the 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 (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes

¹ Include where "Prohibition of Sales to EEA Investors" in Part B is specified as "Applicable".

² Include where "Prohibition of Sales to UK Investors " in Part B is specified as "Applicable".

(by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.]

[Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and Section 309B(1)(c) of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore (as modified or amended from time to time, the "SFA"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are ["prescribed capital markets products "]/["capital markets products other than prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).]

Final Terms dated [•]

Gulf International Bank B.S.C.

Legal Entity Identifier (LEI): 558600JW2XPMLG97TV14

Issue of [Aggregate Principal Amount of Tranche] [Title of Notes]

under the

U.S.\$2,500,000,000

Euro Medium Term Note 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 Notes (the "**Conditions**") set forth in the Base Prospectus dated 24 July 2023 [and the supplemental Base Prospectus dated [•]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of [Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**")]/[the UK Prospectus Regulation]. This document constitutes the Final Terms of the Notes described herein for the purposes of the UK Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the "**Conditions**") set forth in the Base Prospectus dated [*original date*] [and the supplement to it dated [*date*]] which are incorporated by reference in the Base Prospectus dated 24 July 2023. This document constitutes the Final Terms of the Notes described herein for the purposes of [Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**")]/[the UK Prospectus Regulation] and must be read in conjunction with the Base Prospectus dated 24 July 2023 [and the supplemental Base Prospectus dated [•]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the UK Prospectus Regulation, save in respect of the Conditions, in order to obtain all the relevant information.]

Full information on the Issuer and the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. Copies of the Base Prospectus and these Final Terms are available for viewing at the market news section of the London Stock Exchange website (www.londonstockexchange.com/exchange/news/market-news/market-news-home.html).

- | | | |
|----|---|--------------------------------|
| 1. | Issuer | Gulf International Bank B.S.C. |
| 2. | [(i) Series Number: | [•]] |
| | [(ii) Tranche Number: | [•]] |
| | [(iii) Date on which the Notes become fungible: | [•]/[Not Applicable]] |
| 3. | Specified Currency or Currencies: | [•] |

4. Aggregate Principal Amount: [•]
- (i) Series: [•]
- (ii) Tranche: [•]
5. Issue Price: [•] per cent. of the Aggregate Principal Amount [plus accrued interest from [•]]
6. (i) Specified Denominations: [•]
- (ii) Calculation Amount: [•]
7. (i) Issue Date: [•]
- (ii) Interest Commencement Date: [•]/[Issue Date]/[Not Applicable]
8. Maturity Date: [•]
9. Interest Basis: [[•] per cent. Fixed Rate]
- [[•] [+/-] [•] per cent. Floating Rate]
- [Zero Coupon]
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [•] per cent. of their principal amount.
11. Change of Interest Basis: [Applicable]/[Not Applicable]
12. Put/Call Options: [Not Applicable]
- [Investor Put]
- [Change of Control Put]
- [Issuer Call]
13. [(i)] Status of the Notes: [Senior Notes]/[Subordinated Notes]
- [(ii)] [Date [Board] approval for issuance of Notes] obtained: [•]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions [Applicable]/[Not Applicable][Applicable in relation to each Interest Period from [•] to and including [•]]
- (i) Rate[(s)] of Interest: [•] per cent. per annum [payable [annually]/[semi-annually]/[quarterly]/[monthly] in arrear]
- (ii) Interest Payment Date(s): [•] [and [•]] in each year
- (iii) [First Interest Payment Date]: [•]
- (iv) Fixed Coupon Amount[(s)]: [•] per Calculation Amount

- (v) Fixed Coupon Amount for a short or long Interest Period ("**Broken Amount(s)**"):
- (vi) Day Count Fraction:
- (vii) [Determination Dates:
- (viii) Unmatured Coupons void:
15. Floating Rate Note Provisions
- (i) Interest Period(s):
- (ii) Specified Period:
- (iii) Specified Interest Payment Dates:
- (iv) [First Interest Payment Date]:
- (v) Business Day Convention:
- (vi) Additional Business Centre(s):
- (vii) Manner in which the Rate(s) of Interest is/are to be determined:
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):
- (ix) Screen Rate Determination:
- Reference Rate:
 - Index Determination:
 - Interest Determination Date(s):
- [[•] per Calculation Amount, payable on the Interest Payment Date falling [in]/[on] [•]]/[Not Applicable]
- [30/360]/[Actual/Actual (ICMA)]
- [[•] in each year]/[Not Applicable]]
- Condition 10(f) (*Unmatured Coupons void*) is [Applicable/Not Applicable]
- [Applicable]/[Not Applicable] [Applicable in relation to each Interest Period from [•] to and including [•]]
- [•]
- [•]
- [•]
- [•]
- [Floating Rate Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]
- [•]/[Not Applicable]
- [Screen Rate Determination]/[ISDA Determination]
- [Fiscal Agent]/[*an institution other than the Fiscal Agent*] shall be the Calculation Agent]
- [Applicable]/[Not Applicable]
- (*If not applicable delete the remaining sub-paragraphs of this paragraph*)
- [EURIBOR]/[SHIBOR]/[HIBOR]/[SIBOR] / [EIBOR]/[SAIBOR]/[BBSW]/[PRIBOR]/[TRLIBOR or TRYLIBOR]/[TIBOR]/[MIBOR]/[BKBM]/[BHIBOR]/[KIBOR]/[QIBOR]/[OMIBOR]/[SONIA]/[SOFR]/[€STR]
- [Applicable]/[Not Applicable]
- (*Applicable for SONIA Compounded Index or SOFR Compounded Index only*)
- [The first Business Day in the relevant Interest Period]/ (*select where Interest Determination Date has the meaning specified in Condition 7(e) (SONIA Compounded Index and SOFR Compounded Index (Screen Rate Determination))*) [•] [TARGET Settlement

Days/ U.S. Government Securities Business Days/London Banking Days] prior to each Interest Payment Date]

Insert only if Index Determination is not applicable:

- Relevant Screen Page: [•]/[Bloomberg Page SONIO/N Index]/[New York Federal Reserve's Website]/[ECB's Website]/[Not Applicable]
- Relevant Time: [•]/[Not Applicable]³
- Relevant Financial Centre: [•]/[Not Applicable]⁴

Insert only if any of SOFR, SONIA or €STR is the Reference Rate and Index Determination is not applicable:

- Calculation Method: [Weighted Average/Compounded Daily]
- Observation Method: [Lag/Observation Shift/Lock-out/Payment Delay]
- Observation Look-back Period: 5 / [•] TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days/Not Applicable]⁵

(NB: A minimum of 5 should be specified for the Lag Period or Observation Shift Period, unless otherwise agreed with the Calculation Agent).

- D: 360/365/[•]/[Not Applicable]
- Effective Interest Payment Date: [The date falling [•] Business Days following each Interest Payment Date, provided that the Effective Interest Payment Date with respect to the last Interest Period will be the Maturity Date or, if the Notes are redeemed before the Maturity Date, the date fixed for redemption / [Not Applicable]⁶
- Rate Cut-off Date: [•]/[Not Applicable]⁷

Insert only if Index Determination is applicable:

- Relevant Decimal Place: [•] [5] *(unless otherwise specified, it should be the fifth decimal place)*

³ Select "Not Applicable" for SOFR, SONIA or €STR.

⁴ Select "Not Applicable" for SOFR, SONIA or €STR.

⁵ Applicable for Lag or Observation Shift only.

⁶ Applicable for Payment Delay only.

⁷ Applicable for Payment Delay only.

- Relevant Number: [•] [5] *(unless otherwise specified, the Relevant Number shall be 5)*
- (x) ISDA Determination: [Applicable]/[Not Applicable] *(If not applicable delete the remaining subparagraphs of this paragraph)*
- ISDA Definitions [2006 ISDA Definitions/2021 ISDA Definitions]
 - Floating Rate Option: [•]

(The Floating Rate Option should be selected from one of: CHF-SARON / EUR-EURIBOR-Reuters (if 2006 ISDA Definitions apply) EUR-EURIBOR (if 2021 ISDA Definitions apply) / EUR-EuroSTR / EUR-EuroSTR Compounded Index / GBP SONIA / GBP SONIA Compounded Index / HKD-HONIA / JPY-TONA / USD-SOFR / USD-SOFR Compounded Index (each as defined in the ISDA Definitions). These are the options envisaged by the terms and conditions.)
 - Designated Maturity: [•]

(Designated Maturity will not be relevant where the Floating Rate Option is a risk free rate)
 - Reset Date: [•]/[as specified in the ISDA Definitions]/[the first day of the relevant Interest Period, subject to adjustment in accordance with the Business Day Convention set out in [(v)] above and as specified in the ISDA Definitions]
 - Compounding: [Applicable/Not Applicable] *(If not applicable delete the remaining subparagraphs of this paragraph)*
 - Compounding Method: [Compounding with Lookback
 - Lookback: [•] Applicable Business Days]
 [Compounding with Observation Period Shift
 - Observation Period Shift: [•] Observation Period Shift Business Days
 - Observation Period Shift Additional Business Days: [[•] / Not Applicable]]
 [Compounding with Lockout

- Lockout: [•] Lockout Period Business Days
 - Lockout Period Business Days: [[•]/[Applicable Business Days]]
- Averaging: [Applicable/Not Applicable] (*If not applicable delete the remaining subparagraphs of this paragraph*)
- [Averaging Method: [Averaging with Lookback
 - Lookback: [•] Applicable Business Days]
 [Averaging with Observation Period Shift
 - Observation Period Shift: [•] Observation Period Shift Business Days
 - Observation Period Shift Additional Business Days: [•]/[Not Applicable]]
 [Averaging with Lockout
 - Lockout: [•] Lockout Period Business Days
 - Lockout Period Business Days: [[•]/Applicable Business Days]]
- Index Provisions: [Applicable/Not Applicable] (*If not applicable delete the remaining subparagraphs of this paragraph*)
- Index Method: Compounded Index Method with Observation Period Shift
 - Observation Period Shift: [•] Observation Period Shift Business days
 - Observation Period Shift Additional Business Days: [[•] / Not Applicable]]
- (xi) [Linear interpolation Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
- (xii) Margin(s): [±/.] [•] per cent. per annum
- (xiii) Minimum Rate of Interest: [The Minimum Rate of Interest shall not be less than zero] / The Minimum Rate of Interest shall not be less than [•] per cent. per annum]

(xiv)	Maximum Rate of Interest:	[•] per cent. per annum
(xv)	Day Count Fraction:	[Actual/Actual (ICMA)]
		[Actual/Actual (ISDA)]
		[Actual/365 (Fixed)]
		[Actual/365 (Sterling)]
		[Actual/360]
		[30/360]
		[30E/360]
		[30E/360 (ISDA)]
16.	Zero Coupon Note Provisions	[Applicable]/[Not Applicable]
(i)	Accrual Yield:	[•] per cent. per annum
(ii)	Reference Price:	[•]
(iii)	Day Count Fraction in relation to early redemption amounts and late payment:	[Actual/Actual (ICMA)]
		[Actual/Actual (ISDA)]
		[Actual/365 (Fixed)]
		[Actual/365 (Sterling)]
		[Actual/360]
		[30/360]
		[30E/360]
		[30E/360 (ISDA)]

PROVISIONS RELATING TO REDEMPTION

17.	Call Option	[Applicable]/[Not Applicable]
(i)	Optional Redemption Date(s):	[•]
(ii)	Optional Redemption Amount(s) of each Note:	[•] per Calculation Amount
(iii)	If redeemable in part:	
	• Minimum Redemption Amount:	[•] per Calculation Amount
	• Maximum Redemption Amount:	[•] per Calculation Amount
18.	Put Option	[Applicable]/[Not Applicable]
(i)	Optional Redemption Date(s):	[•]
(ii)	Optional Redemption Amount(s) of each Note:	[•] per Calculation Amount

19. Change of Control Put Option: [Applicable]/[Not Applicable]
Change of Control Redemption Amount: [•] per Calculation Amount
20. Final Redemption Amount of each Note: [•] per cent. of their principal amount
21. Early Redemption Amount [Applicable]/[Not Applicable]
Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default or other early redemption: [•] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. Form of Notes: **Bearer Notes:**
[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on [•] days' notice]/[at any time]/[in the limited circumstances specified in the Permanent Global Note]]
[Temporary Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Temporary Global Note]
[Permanent Global Note exchangeable for Definitive Notes [on [•] days' notice]/[at any time]/[in the limited circumstances specified in the Permanent Global Note]]
[Registered Notes:]
[Individual Note Certificates]
[Global Registered Note exchangeable for Individual Note Certificates [on [•] days' notice]/[at any time]/[in the limited circumstances specified in the Global Registered Note]]
23. Additional Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable]/[•].
24. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes]/[No]

**Signed on behalf of
GULF INTERNATIONAL BANK B.S.C.:**

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING

- (i) Listing and admission to trading: Application [will be/has been] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's Main Market and to the official list of the FCA with effect from [•].
- (ii) Estimate of total expenses related to admission to trading: [•]

2. RATINGS

Ratings: The Notes to be issued [have been/are expected to be] rated:

[S&P Global Ratings Europe Limited ("**S&P**"): [•]]

[Moody's Investors Service Cyprus Limited ("**Moody's**"): [•]]

[Fitch Ratings Limited ("**Fitch**"): [•]]

[Each of Moody's and S&P are established in the EEA and are registered under Regulation (EC) No 1060/2009 on credit rating agencies, as amended (the "**CRA Regulation**"). As such, each of Moody's and S&P are included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>) in accordance with the CRA Regulation. Each of Moody's and S&P are not established in the United Kingdom and have not applied for registration under the Regulation (EC) No. 1060/2009 on credit rating agencies as it forms part of domestic law by virtue of the EUWA (the "**UK CRA Regulation**"). The ratings issued by Moody's and S&P have been endorsed by Moody's Investors Service Ltd and S&P Global Ratings UK Limited, respectively, in accordance with the UK CRA Regulation.

Fitch is established in the United Kingdom and is registered under the UK CRA Regulation. Fitch is not established in the EEA and has not applied for registration under the CRA Regulation. The rating issued by Fitch has been endorsed by Fitch Ratings Ireland Limited in accordance with the CRA Regulation. As such, Fitch Ratings Ireland Limited is included in the list of credit rating agencies published by the ESMA on its website (at <https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>) in accordance with the CRA Regulation.]

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

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business for which they may receive fees.]

4. [Fixed Rate Notes only – YIELD

Indication of yield: [•]

5. **DISTRIBUTION**

(i) Method of distribution: [Syndicated/Non-Syndicated]

(ii) (A) If syndicated, names of Managers: [Not Applicable/give names]

(B) Stabilisation Manager(s) (if any): [Not Applicable/give names]

(iii) If non-syndicated, name of relevant Dealer: [Not Applicable/give names]

(iv) U.S. Selling Restrictions: [Reg S. Compliance Category [1/2]; TEFRA D/TEFRA C/TEFRA not applicable]

(v) Additional Selling Restrictions: [Not Applicable/give details]

(vi) Prohibition of Sales to EEA Retail Investors: [Applicable]/[Not Applicable]
(If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)

(vii) Prohibition of Sales to UK Retail Investors: [Applicable]/[Not Applicable]
(If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)

6. **OPERATIONAL INFORMATION**

(i) ISIN Code: [•]

(ii) Common Code: [•]

(iii) FISN: [[See]/[include code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/[Not Applicable]/[Not Available]

(iv) CFI Code: [[See]/[include code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/[Not Applicable]/[Not Available]

- (v) Names and addresses of additional Paying Agent(s) (if any): [•]/[Not Applicable]
- (vi) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant Identification number(s): [•]/[Not Applicable]
- (vii) Relevant Benchmark[s]: *[[specify benchmark]* is provided by *[administrator legal name]**][repeat as necessary]*. As at the date hereof, *[[administrator legal name]**][appears]/[does not appear]**][repeat as necessary]* in the register of administrators and benchmarks established and maintained by the FCA pursuant to *[Article 36]* (*Register of administrators and benchmarks*) of Regulation (EU) 2016/1011 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 *[(the "UK Benchmarks Regulation")]**][As far as the Issuer is aware, as at the date hereof, [specify benchmark] does not fall within the scope of the UK Benchmarks Regulation/ [As far as the Issuer is aware, the transitional provisions in Article 51 of UK Benchmarks Regulation apply, such that [name of administrator] is not currently required to obtain authorisation/registration (or, if located outside the UK, recognition, endorsement or equivalence)]/ [Not Applicable]*
- (viii) Name and address of Registrar: [•]

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

- (i) Reasons for the offer: [See "*Use of Proceeds*" in Base Prospectus/*Give details*]
- (ii) Estimated net proceeds: [•]

8. **THIRD PARTY INFORMATION**

[[•] has been extracted from *[•]*. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by *[•]*, no facts have been omitted which would render the reproduced information inaccurate or misleading.*]/[Not Applicable.]*

FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Notes, whatever the denomination of those Notes, issued under the Programme

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; . Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]⁸

[PROHIBITION OF SALES TO UK RETAIL INVESTORS– The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]⁹

[MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")/MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.]

[UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the 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 (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.]

⁸ Include where "Prohibition of Sales to EEA Investors" in Part B is specified as "Applicable".

⁹ Include where "Prohibition of Sales to UK Investors " in Part B is specified as "Applicable".

[Singapore Securities and Futures Act Product Classification – Solely for the purposes of Section 309B(1)(c) of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore (as modified or amended from time to time, the "SFA"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA) that the Notes are ["prescribed capital markets products"/"capital markets products other than prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).]

Pricing Supplement dated [•]

THE FCA HAS NEITHER APPROVED NOR REVIEWED THIS PRICING SUPPLEMENT.

Gulf International Bank B.S.C.

Legal Entity Identifier (LEI): 558600JW2XPMLG97TV14

Issue of [Aggregate Principal Amount of Tranche] [Title of Notes]

under the

U.S.\$2,500,000,000

Euro Medium Term Note 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 Notes (the "**Conditions**") set forth in the Base Prospectus dated 24 July 2023 [and the supplemental Base Prospectus dated [•]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**"). This document constitutes the Pricing Supplement relating to the issue of Notes described herein and must be read in conjunction with the Base Prospectus.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the "**Conditions**") set forth in the Base Prospectus dated [original date] [and the supplement to it dated [date]] which are incorporated by reference in the Base Prospectus dated 24 July 2023. This document constitutes the Pricing Supplement relating to the issue of Notes described herein and must be read in conjunction with the Base Prospectus dated 24 July 2023 [and the supplemental Base Prospectus dated [•]], which [together] constitute[s] a base prospectus (the "**Base Prospectus**"), save in respect of the Conditions.]

Full information on the Issuer and the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. Copies of the Base Prospectus are available for viewing at the market news section of the London Stock Exchange website (www.londonstockexchange.com/exchange/news/market-news/market-news-home.html).

Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of [Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**")/[the UK Prospectus Regulation] or to supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer.

- | | | |
|----|---|--------------------------------|
| 1. | Issuer | Gulf International Bank B.S.C. |
| 2. | [(i) Series Number: | [•]] |
| | [(ii) Tranche Number: | [•]] |
| | [(iii) Date on which the Notes become fungible: | [•]/[Not Applicable]] |
| 3. | Specified Currency or Currencies: | [•] |
| 4. | Aggregate Principal Amount: | [•] |

- (i) Series: [•]
- (ii) Tranche: [•]
5. Issue Price: [•] per cent. of the Aggregate Principal Amount [plus accrued interest from [•]]
6. (i) Specified Denominations: [•]
(ii) Calculation Amount: [•]
7. (i) Issue Date: [•]
(ii) Interest Commencement Date: [•]/[Issue Date]/[Not Applicable]
8. Maturity Date: [•]
9. Interest Basis: [[•] per cent. Fixed Rate]
[[•] +/- [•] per cent. Floating Rate]
[Zero Coupon]
[Index-Linked Interest]
[specify other]
10. Redemption/Payment Basis: [Redemption at par]
[Index-Linked Redemption]
[specify other]
11. Change of Interest Basis: [Applicable]/[Not Applicable]
12. Put/Call Options: [Not Applicable]
[Investor Put]
[Change of Control Put]
[Issuer Call]
13. (i) Status of the Notes: [Senior Notes]/[Subordinated Notes]
(ii) [Date [Board] approval for issuance of Notes] obtained: [•]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions [Applicable]/[Not Applicable][Applicable in relation to each Interest Period from [•] to and including [•]]
- (i) Rate[(s)] of Interest: [•] per cent. per annum [payable [annually]/[semi-annually]/[quarterly]/[monthly] in arrear]
- (ii) Interest Payment Date(s): [•] [and [•]] in each year
- (iii) [First Interest Payment Date]: [•]
- (iv) Fixed Coupon Amount[(s)]: [•] per Calculation Amount

- (v) Fixed Coupon Amount for a short or long Interest Period ("**Broken Amount(s)**"):
- [[•] per Calculation Amount, payable on the Interest Payment Date falling [in]/[on] [•]/[Not Applicable]
- (vi) Day Count Fraction:
- [30/360]
- [Actual/Actual (ICMA/ISDA)]
- [Actual/365 (Fixed)]
- [Actual/360]
- [specify other]
- (vii) [Determination Dates:
- [[•] in each year]/[Not Applicable]]
- (viii) Unmatured Coupons void:
- Condition 10(f) (*Unmatured Coupons void*) is [Applicable/Not Applicable]
- (viii) Other terms relating to the method of calculating interest for Fixed Rate Notes which are Exempt Notes:
- [Not Applicable]/[give details]
15. Floating Rate Note Provisions:
- [Applicable]/[Not Applicable][Applicable in relation to each Interest Period from [•] to and including [•]
- (i) Interest Period(s):
- [•]
- (ii) Specified Period:
- [•]
- (iii) Specified Interest Payment Dates:
- [•]
- (iv) [First Interest Payment Date]:
- [•]
- (v) Business Day Convention:
- [Floating Rate Convention]/[Following Business Day Convention]/[Modified Following Business Day Convention]/[Preceding Business Day Convention]
- (vi) Additional Business Centre(s):
- [•]/[Not Applicable]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined:
- [Screen Rate Determination]/[ISDA Determination]/[•]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s):
- [Fiscal Agent]/[an institution other than the Fiscal Agent] shall be the Calculation Agent]
- (ix) Screen Rate Determination:
- [Applicable]/[Not Applicable]
- (If not applicable delete the remaining subparagraphs of this paragraph)
- Reference Rate:
- [EURIBOR]/[SHIBOR]/[HIBOR]/[SIBOR]/[EIBOR]/[SAIBOR]/[BBSW]/[[PRIBOR]/[TRLIBOR or TRYLIBOR]/[TIBOR]/[MIBOR]/[BKBM]/[BHIBOR]/[KIBOR]/[QIBOR]/[OMIBOR]/[SONIA]/[SOFR]/[€STR]
- Index Determination:
- [Applicable]/[Not Applicable]

(Applicable for SONIA Compounded Index or SOFR Compounded Index only)

- Interest Determination Date(s): The first Business Day in the relevant Interest Period]/[(select where Interest Determination Date has the meaning specified in Condition 7(e) (SONIA Compounded Index and SOFR Compounded Index (Screen Rate Determination))) [•] [TARGET Settlement Days/U.S. Government Securities Business Days/ London Banking Days] prior to each Interest Payment Date]

Insert only if Index Determination is not applicable:

- Relevant Screen Page: [•]/[Bloomberg Page SONIO/N Index]/[New York Federal Reserve's Website]/[ECB's Website]/[Not Applicable]
- Relevant Time: [•]/[Not Applicable]¹⁰
- Relevant Financial Centre: [•]/[Not Applicable]¹¹

Insert only if any of SOFR, SONIA or €STR is the Reference Rate and Index Determination is not applicable:

- Calculation Method: [Weighted Average/Compounded Daily]
- Observation Method: [Lag/Observation Shift/Lock-out/Payment Delay]
- Observation Look-back Period: 5 / [•]TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days/Not Applicable]¹²

(NB: A minimum of 5 should be specified for the Lag Period or Observation Shift Period, unless otherwise agreed with the Calculation Agent).

- D: 360/365/[•]/[Not Applicable]
- Effective Interest Payment Date: [The date falling [•] Business Days following each Interest Payment Date, provided that the Effective Interest Payment Date with respect to the last Interest Period will be the Maturity Date or, if the Notes are redeemed before the Maturity Date, the date fixed for redemption]/[Not Applicable]¹³
- Rate Cut-off Date [•]/[Not Applicable]¹⁴

¹⁰ Select "Not Applicable" for SOFR, SONIA or €STR.

¹¹ Select "Not Applicable" for SOFR, SONIA or €STR.

¹² Applicable for Lag or Observation Shift only.

¹³ Applicable for Payment Delay only.

¹⁴ Applicable for Payment Delay only.

Insert only if Index Determination is applicable:

- Relevant Decimal Place: [•] [5] *(unless otherwise specified, it should be the fifth decimal place)*
- Relevant Number: [•] [5] *(unless otherwise specified, the Relevant Number shall be 5)*
- (x) ISDA Determination: [Applicable]/[Not Applicable] *(If not applicable delete the remaining sub-paragraphs of this paragraph)*
 - ISDA Definitions: [2006 ISDA Definitions/2021 ISDA Definitions]
 - Floating Rate Option: [•]
(The Floating Rate Option should be selected from one of: CHF-SARON / EUR-EURIBOR-Reuters (if 2006 ISDA Definitions apply) EUR-EURIBOR (if 2021 ISDA Definitions apply) / EUR-EuroSTR / EUR-EuroSTR Compounded Index / GBP SONIA / GBP SONIA Compounded Index / HKD-HONIA / JPY-TONA / USD-SOFR / USD-SOFR Compounded Index (each as defined in the ISDA Definitions). These are the options envisaged by the terms and conditions.)
 - Designated Maturity: [•]
(Delegated Maturity will not be relevant where the Floating Rate Option is a risk free rate)
 - Reset Date: [•]/[as specified in the ISDA Definitions]/[the first day of the relevant Interest Period, subject to adjustment in accordance with the Business Day Convention set out in [(v)] above and as specified in the ISDA Definitions]
 - Compounding: [Applicable/Not Applicable] *(If not applicable delete the remaining sub-paragraphs of this paragraph)*
 - Compounding Method: [Compounding with Lookback
 - Lookback: [•] Applicable Business Days[Compounding with Observation Period Shift
 - Observation Period Shift: [•] Observation Period Shift Business Days
 - Observation Period Shift Additional Business Days: [[•] / Not Applicable]][Compounding with Lockout

- Lockout: [•] Lockout Period Business Days
 - Lockout Period Business Days: [•]/[Applicable Business Days]
- Averaging: [Applicable/Not Applicable] *(If not applicable delete the remaining sub-paragraphs of this paragraph)*
- [Averaging Method: [Averaging with Lookback
 - Lookback: [•] Applicable Business Days]
 - [Averaging with Observation Period Shift
 - Observation Period Shift: [•] Observation Period Shift Business Days
 - Observation Period Shift Additional Business Days: [•]/[Not Applicable]]
- [Averaging with Lockout
 - Lockout: [•] Lockout Period Business Days
 - Lockout Period Business Days: [•]/[Applicable Business Days]
- Index Provisions: [Applicable/Not Applicable] *(If not applicable delete the remaining sub-paragraphs of this paragraph)*
- Index Method: Compounded Index Method with Observation Period Shift
 - Observation Period Shift: [•] Observation Period Shift Business days
 - Observation Period Shift Additional Business Days: [[•] / Not Applicable]
- (xi) [Linear interpolation Not Applicable/ Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation *(specify for each short or long interest period)*
- (xii) Margin(s): [+./] [•] per cent. per annum
- (xiii) Minimum Rate of Interest: [The Minimum Rate of Interest shall not be less than zero] / The Minimum Rate of Interest shall not be less than [•] per cent. per annum]
- (xiv) Maximum Rate of Interest: [•] per cent. per annum
- (xv) Day Count Fraction: [Actual/Actual (ICMA)]
[Actual/Actual (ISDA)]
[Actual/365 (Fixed)]

		[Actual/365 (Sterling)]
		[Actual/360]
		[30/360]
		[30E/360]
		[30E/360 (ISDA)]
		[specify other]
(xvi)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes which are Exempt Notes, if different from those set out in the Conditions:	[Not Applicable]/[specify]
16.	Zero Coupon Note Provisions	[Applicable]/[Not Applicable]
(i)	Accrual Yield:	[•] per cent. per annum
(ii)	Reference Price:	[•]
(iii)	Day Count Fraction in relation to early redemption amounts and late payment:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [30E/360] [30E/360 (ISDA)] [specify other]
(iv)	Any other formula/basis for determining amounts payable for Zero Coupon Notes which are Exempt Notes:	[•]
17.	Index-Linked Interest Note Provisions	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Index/Formula:	[Give or annex details]
(ii)	Calculation Agent responsible for calculating the interest due:	[•]
(iii)	Provisions for determining Coupon where calculation by	[•]

- reference to Index and/or Formula is impossible or impracticable: *(Include a description of market disruption or settlement disruption events and adjustment provisions)*
- (iv) Specified Period: [•]
(Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not Applicable".)
- (v) Specified Interest Payment Dates: [•]
(Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable".)
- (vi) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
- (vii) Additional Business Centre(s): [•]
- (viii) Minimum Rate of Interest: [•] per cent. per annum
- (ix) Maximum Rate of Interest: [•] per cent. per annum
- (x) Day Count Fraction: [•]

PROVISIONS RELATING TO REDEMPTION

18. Call Option [Applicable]/[Not Applicable]
- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note: [[•] per Calculation Amount]/ *[specify other]*
- (iii) If redeemable in part:
- Minimum Redemption Amount: [•] per Calculation Amount
 - Maximum Redemption Amount: [•] per Calculation Amount
19. Put Option [Applicable]/[Not Applicable]
- (i) Optional Redemption Date(s): [•]
- (ii) Optional Redemption Amount(s) of each Note: [[•] per Calculation Amount]/*[specify other]*
20. Change of Control Put Option: [Applicable]/[Not Applicable]
- Change of Control Redemption Amount: [•] per Calculation Amount

21. Final Redemption Amount of each Note: per Calculation Amount]/[specify other]
 In cases where the Final Redemption Amount is Index-Linked or other variable-linked: [give or annex details]
- (i) Index/Formula/ variable:
- (ii) Calculation Agent responsible for calculating the Final Redemption Amount:
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or variable:
- (iv) Determination Date(s):
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:
- (vi) Payment Date:
- (vii) Minimum Final Redemption Amount:
- (viii) Maximum Final Redemption Amount:
22. Early Redemption Amount [Applicable]/[Not Applicable]
 Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default or other early redemption: [per Calculation Amount]/[specify other]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. Form of Notes: **Bearer Notes:**
 [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on days' notice]/[at any time]/[in the limited circumstances specified in the Permanent Global Note]]
 [Temporary Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Temporary Global Note]
 [Permanent Global Note exchangeable for Definitive Notes [on days' notice]/[at any time]/[in the limited circumstances specified in the Permanent Global Note]]
[Registered Notes:]

[Individual Note Certificates]

[Global Registered Note exchangeable for Individual Note Certificates [on [•] days' notice]/[at any time]/[in the limited circumstances specified in the Global Registered Note]]

24. Additional Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable]/[•].
25. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes]/[No]
26. Other terms or special conditions: [•]/[Not Applicable]

SIGNED on behalf of
GULF INTERNATIONAL BANK B.S.C.:

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING

- (i) Listing and admission to trading: [The Notes to be issued are unlisted]/[•]
- (ii) Estimate of total expenses related to admission to trading: [•]/[Not applicable]

2. RATINGS

Ratings: [The Notes to be issued have not been rated]/[The Notes to be issued [have been/are expected to be] rated:]

[S&P: [•]]

[Moody's: [•]]

[Fitch: [•]]

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

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business for which they may receive fees.]

4. [Fixed Rate Notes only – YIELD

Indication of yield: [•]

5. [Index-Linked or Other Variable-Linked Notes Only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING

Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained. [Where the underlying is an index, need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer, need to include details of where the information about the index can be obtained. Where the underlying is not an index, need to include equivalent information.]

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information.]]

6. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-Syndicated]
- (ii) (A) If syndicated, names of Managers: [Not Applicable/give names]
- (B) Stabilisation Manager(s) (if any): [Not Applicable/give names]
- (iii) If non-syndicated, name of relevant Dealer: [Not Applicable/give names]

- | | | |
|-------|--|--|
| (iv) | U.S. Selling Restrictions: | [Reg S. Compliance Category [1/2]; TEFRA D/TEFRA C/TEFRA not applicable] |
| (v) | Additional Selling Restrictions | [Not Applicable/ <i>give details</i>] |
| (vi) | Prohibition of Sales to EEA Retail Investors | [Applicable]/[Not Applicable]

<i>(If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)</i> |
| (vii) | Prohibition of Sales to UK Retail Investors | [Applicable]/[Not Applicable]

<i>(If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)</i> |

7. **OPERATIONAL INFORMATION**

- | | | |
|-------|--|---|
| (i) | ISIN Code: | [•] |
| (ii) | Common Code: | [•] |
| (iii) | FISN: | [[See]/[[<i>include code</i>], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]/[Not Available] |
| (iv) | CFI Code: | [[See]/[[<i>include code</i>], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]/[Not Available] |
| (v) | Names and addresses of additional Paying Agent(s) (if any): | [•]/[Not Applicable] |
| (vi) | Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant Identification number(s): | [•]/[Not Applicable] |
| (vii) | Name and address of Registrar: | [•] |

8. **[REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS**

- (i) Reasons for the offer: [See "*Use of Proceeds*" in Base Prospectus/*Give details*]
- (ii) Estimated net proceeds: [•]

9. **THIRD PARTY INFORMATION**

[•]/[Not Applicable]

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Clearing System Accountholders

In relation to any Tranche of Notes represented by a Global Note in bearer form, references in "*Terms and Conditions of the Notes*" to "**Noteholder**" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary.

In relation to any Tranche of Notes represented by a Global Registered Note, references in "*Terms and Conditions of the Notes*" to "**Noteholder**" are references to the person in whose name such Global Registered Note is for the time being registered in the Register which, for so long as the Global Registered Note is held by or on behalf of a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or a nominee for that depositary or common depositary.

Exchange of Temporary Global Notes

Whenever any interest in a Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure:

- (a) in the case of first exchange, the prompt delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated, to the bearer of the Temporary Global Note; or
- (b) in the case of any subsequent exchange, an increase in the principal amount of such Permanent Global Note in accordance with its terms,

in each case in an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and received by the Fiscal Agent against presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent within seven days of the bearer requesting such exchange.

Whenever a Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be)), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) a Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of a Temporary Global Note has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or
- (b) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Temporary Global Note has requested exchange of the Temporary Global Note for Definitive Notes; or
- (c) a Temporary Global Note (or any part thereof) has become due and payable in accordance with the Conditions of the Notes or the date for final redemption of a Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then, at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such thirtieth day (in the case of (b) above) or at 5.00 p.m. (London time) on such due date (in the case of (c) above), the bearer of the Temporary Global Note will become entitled to proceed directly against the Issuer on, and subject to, the terms of the Deed of Covenant and the bearer of the Temporary Global

Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the bearer of the Temporary Global Note ceased to have rights under such Temporary Global Note, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Exchange of Permanent Global Notes

Whenever a Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be)), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Permanent Global Note has duly requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) a Permanent Global Note was originally issued in exchange for part only of a temporary global note representing the relevant Notes and the bearer of such temporary global note ceases to have rights under it in accordance with its terms; or
- (c) a Permanent Global Note (or any part of it) has become due and payable in accordance with the Conditions of the Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Permanent Global Note in accordance with the terms of the Permanent Global Note on the due date for payment,

then, at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on the date on which the bearer of such temporary global note ceases to have rights under it (in the case of (b) above) or at 5.00 p.m. (London time) on such due date (in the case of (c) above), the bearer of the Permanent Global Note will become entitled to proceed directly against the Issuer on, and subject to, the terms of the Deed of Covenant and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Permanent Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the bearer of the Permanent Global Note ceased to have rights under such Permanent Global Note, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Exchange of Global Registered Notes

Whenever a Global Registered Note is to be exchanged for Individual Note Certificates, the Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Registered Note within five business days of the delivery, by or on behalf of the holder of the Global Registered Note to the Registrar of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Registered Note at the specified office of the Registrar. Such exchange will be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in

respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If:

- (a) Individual Note Certificates have not been delivered by 5.00 p.m. (London time) on the thirtieth day after they are due to be issued and delivered in accordance with the terms of the Global Registered Note; or
- (b) any of the Notes represented by a Global Registered Note (or any part of it) has become due and payable in accordance with the Conditions of the Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the holder of the Global Registered Note in accordance with the terms of the Global Registered Note on the due date for payment,

then, at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above), the holder of the Global Registered Note will become entitled to proceed directly against the Issuer on, and subject to, the terms of the Deed of Covenant and the holder of the Global Registered Note will have no further rights thereunder (but without prejudice to the rights which the holder of the Global Registered Note or others may have under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Registered Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the holder of the Global Registered Note ceased to have rights under such Global Registered Note, they had been the holders of Individual Note Certificates in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Conditions applicable to Global Notes and Global Registered Notes

Each Global Note and Global Registered Note will contain provisions which modify the Conditions of the Notes as they apply to the Global Note or Global Registered Note. The following is a summary of certain of those provisions:

Payments

All payments in respect of the Global Note or Global Registered Note which, according to the Conditions of the Notes, require presentation and/or surrender of a Note, Note Certificate or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note or Global Registered Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that the payment is noted in a schedule thereto.

Exercise of put option (including Change of Control Put Option)

In order to exercise either option contained in Condition 9(e) (*Redemption and Purchase – Redemption at the option of Noteholders*) the bearer of the Permanent Global Note or the holder of a Global Registered Note must, within the relevant period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option

In connection with an exercise of the option contained in Condition 9(c) (*Redemption and Purchase – Redemption at the option of the Issuer*) in relation to only some of the Notes, the Permanent Global Note or Global Registered Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices

Notwithstanding Condition 19 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or a Global Registered Note and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are), or the Global Registered Note is, deposited with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 19 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes. If, in respect of an issue, there is a particular identified use of proceeds, this will be stated in the relevant Final Terms.

DESCRIPTION OF THE ISSUER

History

The Issuer was established in Bahrain in November 1975 pursuant to an agreement to which the governments of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE were signatories. As at the date of this Base Prospectus, the government of Saudi Arabia (through the PIF) owns 97.2 per cent. of the issued share capital of the Issuer. The governments of Bahrain, Kuwait, Oman, Qatar and the UAE, directly or indirectly, own the remaining shares in the Issuer in unequal percentages. Pursuant to an extraordinary general assembly of shareholders held on 30 March 2023, as at 31 March 2023 the Issuer set off its accumulated losses (under retained earnings) in the amount of U.S.\$729 million against: (i) its paid-up share capital (reducing its share capital by U.S.\$500 million); (ii) its share premium (adjusted in full by U.S.\$7.6 million); and (iii) its reserves (eliminating the voluntary reserve of U.S.\$179 million and reducing the compulsory reserve by U.S.\$42.4 million). Reflecting this, as at the date of this Base Prospectus, the Issuer's issued share capital is U.S.\$2 billion, comprising two billion fully paid shares with a par value of U.S.\$1 each.

The Issuer is incorporated in Bahrain as a Bahraini shareholding company by Amiri Decree Law No. 30 dated 24 November 1975 and is registered as a conventional wholesale and retail bank with the CBB. The Issuer's commercial registration number is 4660, its registered office is Al-Dowali Building, 3 Palace Avenue, Manama, Kingdom of Bahrain and its main office telephone number is: (+973) 17 534 000.

Following its establishment, the Issuer concentrated on the syndicated loan market for sovereign borrowers until 1980, when it turned its attention to the corporate sector and began to develop close relationships with major international corporations. In April 1999, the Issuer acquired all of the issued share capital of Saudi International Bank, a London-based investment bank with established capabilities in corporate finance, asset management and capital markets, which has since been renamed Gulf International Bank (UK) Limited ("**GIBUK**"), in order to expand its product range and diversify its sources of revenue away from its focus on wholesale commercial banking in the GCC region.

In 2000, the Issuer was the first non-Saudi bank to establish a branch in Saudi Arabia, opening a branch in Riyadh, followed by a second branch located in Jeddah in 2004 and a third branch located in Dhahran in the Eastern Province in 2014. On 8 May 2017, the Council of Ministers of Saudi Arabia issued a resolution authorising the establishment of the Issuer's banking subsidiary in Saudi Arabia. On 24 July 2018, the Issuer's board of directors (the "**Board**") passed a resolution to convert its branches in Saudi Arabia into a separate entity by establishing Gulf International Bank - Saudi Arabia ("**GIB KSA**") as a subsidiary of the Issuer. GIB KSA was established on 3 April 2019. GIB KSA is licensed as a local bank by the Saudi Central Bank ("**SAMA**") and has its registered office in the city of Dhahran. The Issuer owns 50 per cent. of the issued share capital of GIB KSA and the PIF owns the remaining 50 per cent. The Issuer's objective in establishing GIB KSA was to provide the GIB Group with an opportunity to grow within a key strategic market, and to participate in new initiatives being rolled out in Saudi Arabia in line with Vision 2030 (a strategic framework introduced by the Government of Saudi Arabia to reduce the Kingdom's dependence on oil, diversify its economy and develop public service sectors), including offering innovative products and services to customers.

In 2008, as part of the Issuer's strategic initiative to reduce the level of risk on its balance sheet and to refocus on its core business activities, a significant portion of the non-core investment securities portfolio was disposed of by way of a sale to the government of Saudi Arabia (through the PIF and SAMA, effective at the end of 2008). In order to compensate the PIF and SAMA for the difference between the total consideration paid for such assets and the fair value of such assets as at an agreed date (the consideration being higher than the applicable fair value), the other shareholders re-allocated the ownership of the Issuer's issued share capital as between themselves in accordance with a pre-determined formula, thereby increasing the percentage ownership of the PIF and SAMA in the Issuer. SAMA subsequently sold its shares in the Issuer to the PIF in 2009. The shareholdings in the Issuer, as at the date of this Base Prospectus, are shown in the table set out under "*Ownership*" below.

The GIB Group also operates through branches located in London, New York and Abu Dhabi, and a representative office in Dubai. In addition, GIBUK has a branch in New York and its head office is located in London.

At the beginning of 2008, in order to comply with specific regulatory changes in Saudi Arabia, the Issuer established GIB Financial Services LLC (which changed its name to GIB Capital L.L.C. with effect from 14 August 2011 ("**GIB Capital**"). GIB Capital is regulated by the Saudi Arabian Capital Market Authority (the "**CMA**"). GIB Capital has a paid up share capital of SAR 200 million. GIB Capital's entire ownership was transferred from the Issuer to GIB KSA on 1 January 2021. GIB Capital offers investment banking, asset management and brokerage services in Saudi Arabia. Following the introduction of a new companies law in Saudi Arabia in May 2016, GIB Capital converted its legal form from an L.L.C. to a Single Shareholder Closed Joint Stock Company. This change in GIB Capital's legal form took effect from 15 August 2017.

The Issuer has been assigned long-term senior unsecured debt ratings of Baa1 with a positive outlook by Moody's and A- with a stable outlook by Fitch.

Ownership

As at the date of this Base Prospectus, the shareholding structure of the Issuer is as follows:

Shareholder	Percentage shareholding
	(%)
The Public Investment Fund, Saudi Arabia	97.226
Kuwait Investment Authority, Kuwait	0.730
Qatar Holding L.L.C., Qatar.....	0.730
Bahrain Mumtalakat Holding Company, B.S.C. (c), Bahrain.....	0.438
Oman Investment Authority, Oman	0.438
Ministry of Finance, UAE	0.438
Total	100.000

The PIF, the Issuer's current controlling shareholder, was established by Royal Decree No. M/24, dated 25-06-1391H corresponding to 17 August 1971 with the purpose of providing financial support to commercial projects which are strategically significant for the development of Saudi Arabia's economy and which could not be implemented through the private sector alone (either because of insufficient experience or inadequate capital resources or both). The PIF provides investment funding to both the private and public sector independently or in partnership with administrative authorities or private sector entities. Funding takes the form of loans or guarantees and, in special cases, through the allocation of public funds to specific projects in accordance with the terms and modalities determined by its board of directors. The PIF was also assigned an explicit role in investing and holding equity participations on behalf of the Saudi Arabian government in certain joint stock companies and in administering such participations on the government's behalf and representing it in respect thereof, pursuant to a Council of Ministers' subsequent resolution No. 508 dated 02-04-1394H corresponding to 2 May 1974.

Recent Developments

On 15 May 2023, the GIB Group published its unaudited condensed interim consolidated financial statements as at, and for the three months ended, 31 March 2023. The financial information in this Base Prospectus relating to the Issuer as at and for the three-month period ended 31 March 2023 and for the three-month period ended 31 March 2022 has been derived from these financial statements.

The GIB Group's total consolidated income in the three-month period ended 31 March 2023 amounted to U.S.\$172.2 million compared to U.S.\$109.0 million in the corresponding period of 2022. The U.S.\$63.2 million, or 58.0 per cent., increase in the GIB Group's total consolidated operating income in the 2023 period compared to the 2022 period principally reflected an increase in net interest income of U.S.\$52.5 million, or 77.3 per cent. This increase reflected a rising interest rate environment and higher margins. In addition, there were increases recorded in each other revenue category, illustrating continued progress in implementing the GIB Group's strategic transformation plan.

The GIB Group's total consolidated operating expenses in the three-month period ended 31 March 2023 amounted to U.S.\$92.0 million compared to U.S.\$74.4 million in the corresponding period of 2022. The U.S.\$17.6 million, or 23.7 per cent., increase principally reflected continued investment in human capital, as well as in technology and business development, to support the implementation of the Bank's strategic initiatives.

The GIB Group's consolidated provision for expected credit losses in the three-month period ended 31 March 2023 amounted to U.S.\$18.5 million compared to U.S.\$9.8 million in the corresponding period of 2022. This reflects the GIB Group's prudent approach to risk management, which was also evidenced by a reduction in the GIB Group's non-performing loan ratio (being the ratio of its Stage 3 loans and advances determined in accordance with IFRS 9 to its total gross loans and advances) to 1.4 per cent. as at 31 March 2023 compared to 1.6 per cent. as at 31 December 2022.

Reflecting the above factors, the GIB Group reported consolidated net income for the three-month period ended 31 March 2023 of U.S.\$56.6 million compared to U.S.\$21.0 million for the three-month period ended 31 March 2022.

Overview and Strategy

Overview

Although the CBB regulates the Issuer, it has previously publicly stated that it will not act as lender of last resort to wholesale banks and, consequently, the Issuer will be reliant upon its shareholders for external financial support if the need arises.

Strategy

Over the past few years, the Issuer has made significant strides in its strategy implementation, with a marked increase in both the amount and diversification of its revenue through successful investment in capital-light business lines, such as global transaction banking and asset management. The Issuer has also improved the quality of its credit portfolio and enhanced its credit governance, which has resulted in much-improved risk ratios. In addition, the Issuer has increased the diversification of its funding base, grown its customer base, increased its digitalisation, improved sustainability and enhanced its efficiency. Further, the Issuer has taken steps to differentiate its business models to leverage its geographical reach whilst augmenting synergies.

The Issuer's enhanced business pillars, improving market conditions and strong balance sheet position have provided a robust platform to undertake a post-pandemic strategy review, allowing the Issuer to shift its strategy from value preservation to value creation. The Issuer has refined its detailed execution plans to recalibrate and adapt to new realities, as well as repositioning its financial forecasts for the evolving economic landscape.

The Issuer, led by a strong leadership team, is now well-positioned to support the economic growth and transformation underway in the GCC, accelerate achieving competitive shareholder returns, optimise balance sheet utilisation and create value for clients, economies and communities.

The Issuer's continued goal is to be a regional industry leader with global reach offering differentiated world-class products and services to its clients. The GIB Group's international network and offerings enable the Issuer to capture associated trade and financial flows within the GCC, as well as between the GCC and the rest of the world. It also places the Issuer in a unique position to capitalise on its strong core business activities in the GCC, including commercial banking, retail banking, treasury services, global transaction banking, project and structured finance, investment banking, Islamic banking and asset management.

The Issuer's mission is centred around five core pillars, which are to:

- deliver differentiated value-accretive solutions to meet clients' needs and contribute to the GCC's economic development;
- generate competitive shareholder returns by selectively expanding existing offerings and investing in fee-generative businesses;
- execute a recalibrated digital retail strategy;
- embed sustainability and responsible banking principles in its business; and
- continue to attract, develop and retain distinguished local talent.

To achieve these pillars, the Bank intends to focus on the following strategic priorities in the next few years:

- reduce reliance on net interest income;
- increase and diversify revenues through cross-selling across divisions and legal entities;
- enhance client acquisition, experience and service;
- maintain an effective funding profile; and
- optimise capital deployment and return on assets.

The Issuer believes that the key enablers to successful execution of its strategy are:

- **effective governance**: agile decision-making and full ownership within a robust risk management framework;
- **digital focus**: acceleration of the Issuer's digital transformation journey;
- **operational excellence**: optimise the GIB Group's infrastructure and streamlined processes; and
- **talent acquisition and retention**: focusing on merit, competence, diversity and development.

Strengths

A number of the Issuer's strengths have proven beneficial in mitigating the impact of the socio-political and certain economic risks on its business. These strengths include:

- the shareholding by the Saudi government through the PIF which has supported the GIB Group in generating additional business and funding opportunities;
- the GIB Group's niche geographical presence and differentiated business model that leverages each entity's structure and enhances synergies across the GIB Group;
- the GIB Group's shared services model for support services;
- the Issuer's share capital being denominated in U.S. dollars;
- the GIB Group's minimal Bahraini dinar-denominated assets and liabilities;
- the GIB Group's policy of hedging the majority of its currency risk (primarily in respect of movements of the U.S. dollar against the euro and pound sterling);
- the GIB Group's ability to operate effectively from its Riyadh and London offices at short notice, if required (since all necessary systems are already in place at those offices); and
- the GIB Group's policy of holding its foreign currency nostro accounts with banks located in the country of the relevant foreign currency rather than with Bahraini banks.

Financial Highlights

The following table contains certain financial highlights of the GIB Group as at and for the years ended 31 December 2022, 31 December 2021 and 31 December 2020.

	As at and for the year ended 31 December		
	2020	2021	2022
	<i>(U.S.\$ million)</i>		
Net Income before Provisions and Tax.....	30.8	98.0	175.3
Net Income / (Loss).....	(308.0)	52.7	96.1
Net Interest Income	232.8	246.1	345.8
Total Operating Income	307.7	394.7	521.8
Total Operating Expenses	276.9	296.7	346.5

	As at and for the year ended 31 December		
	2020	2021	2022
	(U.S.\$ million)		
Total Assets.....	29,606.3	31,797.0	32,646.2
Loans and Advances.....	10,489.7	11,657.5	11,497.6
Investment Securities.....	4,689.8	5,968.5	5,785.5
Senior Term Financing.....	4,924.9	5,100.1	4,940.9
Total Equity.....	3,012.5	3,093.0	3,184.2
Total Deposits ⁽¹⁾	20,286.5	21,986.1	22,449.6

Notes:

⁽¹⁾ Total Deposits includes deposits from banks and deposits from customers.

The following table shows the GIB Group's risk asset ratio and Tier 1 risk asset ratio as at 31 December 2022, 31 December 2021 and 31 December 2020.

	As at 31 December		
	2020	2021	2022
	(%)		
Risk Asset Ratio.....	17.2	16.1	17.3
Tier 1 Risk Asset Ratio.....	16.4	14.0	14.8

GIB KSA

In April 2019, the Issuer established a subsidiary in Saudi Arabia by combining its existing branches in Jeddah, Dhahran and Khobar with its Saudi Arabian headquarters located in the Eastern Province. The Issuer owns 50 per cent. of the issued share capital of GIB KSA and the PIF owns the remaining 50 per cent. The Issuer's objective in launching the subsidiary was to give the GIB Group the opportunity to grow within a key strategic market, and to participate in new initiatives being rolled out in Saudi Arabia in line with Vision 2030, including offering innovative products and services to customers. The Issuer continues to maintain its headquarters in Bahrain.

The Issuer and GIB KSA continue to cooperate on business development (cross-referring clients and business) as well as on transactional matters, including project finance and loan syndications, underwriting of securities and loans, liquidity management, foreign exchange pricing and market making, confirmation of trade transactions and the issuance of counter guarantees. The centralised support functions in GIB KSA also ensure synergies in processes and infrastructure across the GIB Group.

Business

The GIB Group's business activities currently fall into four broad categories:

- **Wholesale Banking** (which accounted for 59.8 per cent. of total income for the year ended 31 December 2022; 59.2 per cent. for the year ended 31 December 2021; and 51.9 per cent. for the year ended 31 December 2020);
- **Investment Banking** (which accounted for 6.0 per cent. of total income for the year ended 31 December 2022; 6.5 per cent. for the year ended 31 December 2021; and 4.4 per cent. for the year ended 31 December 2020);
- **Asset Management** (which accounted for 0.5 per cent. of total income for the year ended 31 December 2022; 1.6 per cent. for the year ended 31 December 2021; and 0.1 per cent. for the year ended 31 December 2020); and
- **Treasury Services and Head Office and Support Units** (which accounted for 33.8 per cent. of total income for the year ended 31 December 2022; 32.7 per cent. for the year ended 31 December 2021; and 43.6 per cent. for the year ended 31 December 2020).

The GIB Group also serves customers in a range of specialised areas including project and structured finance, Islamic banking, investment banking and asset management. This reinforces the GIB Group's competitive position by building on its market presence and understanding of the region's economic environment and potential business opportunities.

The GIB Group's mainly GCC-based customers primarily comprise government agencies of the GCC states, major regional corporations, middle market corporates, financial institutions and multinational companies active in the GCC.

The GIB Group's retail banking business in Saudi Arabia and Bahrain, operating through GIB KSA and GIB Bahrain, continues to grow steadily. Retail banking is expected to constitute a fifth category of business in the future.

Wholesale Banking

The Wholesale Banking strategy revolves around providing client solutions across all product lines, including structured finance, syndication and distribution, agency, cash management, trade, treasury, investment banking, asset management, brokerage and retail solutions for clients' employees. The key pillars to achieve this are strong relationship teams on the ground, diverse products, geographical footprint across key markets and the ability to structure bespoke solutions.

The GIB Group has a presence in Saudi Arabia, Bahrain, the UAE (Dubai and Abu Dhabi), London and New York, thus ensuring that it has the ability to service clients that have businesses in several jurisdictions, particularly with respect to the GCC and multinational clients in Saudi Arabia. Each of these markets is served by a dedicated coverage team, which enables the GIB Group to be close to its customers and understand their needs.

The GIB Group's global transaction banking solutions with respect to cash management are aimed at providing digital and differentiated offerings, with a flexible platform allowing it to be more agile and enabling it to accommodate the particular requirements of each client. These solutions are aimed at increasing the GIB Group's current and call account balances and, thus, reducing its funding costs. The GIB Group's structured trade offering is differentiated through its various supply chain and receivables financing solutions.

In addition, the GIB Group recognises the increasing customer need for *Shari'ah*-compliant and ESG structures and products and, accordingly, aims to deliver these product solutions to its customers with the support of its *Shari'ah*-compliant banking and sustainability teams.

Investment Banking

The GIB Group's investment banking activities are conducted in Saudi Arabia and the wider GCC region, through GIB Capital, a wholly-owned subsidiary of GIB KSA, and supported by a team of professionals employed by the GIB Group and located in the GCC countries.

GIB Capital's principal focus is on the GCC states, providing customer-led, innovative financial products and services. Its target market for Investment Banking includes major private sector corporations, family-owned establishments, GCC-based financial institutions and multinational companies active in the region.

Investment Banking, which includes Equity Capital Markets, Debt Capital Markets, Debt Advisory and Syndications, provides services to a wide range of public and private sector customers in the GCC. Working with other business units, Investment Banking is able to offer comprehensive solutions to its customers, which include providing both equity and debt based products to meet their financing and business needs, debt and capital restructuring solutions, as well as ratings advisory services.

Equity Capital Markets' product offerings include equity advisory services for initial public offerings ("**IPOs**"), private equity placements, underwriting of IPOs, advisory services in connection with mergers and acquisitions, disposals, privatisation and strategic advice.

The GIB Group's Debt Capital Markets team offers advisory services and arranges the sale and execution of bond and sukuk offerings for clients, including sovereigns, supranationals, financial institutions and corporates, in the international markets as well as the Saudi Arabian domestic market. The team also offers ratings advisory services to its varied client base across the GCC.

Debt Advisory product offerings include debt raising for new and expansion projects, debt restructuring, debt advisory services in connection with mergers and acquisitions, disposals and privatisation, as well as strategic advice for clients developing or investing in new projects.

Asset Management

The GIB Group's asset management business operates through its UK subsidiary, GIBUK, as well as GIB KSA's subsidiary, GIB Capital, which is regulated by the CMA. GIBUK is regulated by the Prudential Regulation Authority ("**PRA**") and the Financial Conduct Authority ("**FCA**").

Assets under management stood at U.S.\$12.6 billion as at 31 December 2022 (U.S.\$14.2 billion as at 31 December 2021 and U.S.\$13.8 billion as at 31 December 2020). Assets under management emanate from GIB Group's target institutional markets in the GCC and the rest of the world. The business includes Riyadh and London-based investment professionals, managing two main asset classes: equities and fixed income. This includes both managed portfolios (index strategies and active management) and four UCITS funds. GIBUK's philosophy is to invest responsibly and the integration of environmental, social and governance (ESG) factors is therefore a critical part of its investment approach, as is portfolio engagement.

The GIB Group also offers regional asset management services through GIB Capital. As at 31 December 2022, GIB Capital's assets under management stood at U.S.\$3.1 billion through discretionary portfolio mandates, public and private funds. Coverage includes Saudi, GCC and MENA equities, in addition to regional fixed income mandates.

Treasury Services and Head Office and Support Units

The GIB Group offers a wide range of treasury and capital markets products and services to a broad customer base mostly consisting of regional corporate entities, financial institutions and government entities, and provides customised conventional and Islamic hedging and investment solutions to its customers. The GIB Group funds itself through its offices in Manama, Riyadh, Abu Dhabi, London and New York, and maintains long-standing depositor relationships.

In addition to providing treasury and capital markets products and services to its customers, Treasury Services also maintains an investment securities portfolio (the "**Liquidity Portfolio**") and manages the GIB Group's net free capital funds.

The Liquidity Portfolio comprises the GIB Group's stock of liquid securities, which can be disposed of or sold under repurchase agreements in order to meet the GIB Group's liquidity requirements. The Liquidity Portfolio mainly comprises highly rated and liquid plain vanilla debt instruments. A minimum rating of the issuer or security of A- is enforced on all new transactions. The portfolio's secondary objective is to provide a stable, low risk revenue stream for the GIB Group.

The GIB Group's head office and support units provide strategic and other support services.

Retail Banking Activities

'meem', the digital retail banking arm of GIB Group and the first digital *Shari'ah*-compliant bank in the world, was launched in 2014 in Saudi Arabia and in Bahrain in 2018. meem aims to simplify the retail banking segment by offering a fully digital retail banking proposition to citizens of both countries. The retail banking strategy is based on a customer-centric approach, providing customers with a quick, dynamic and unique customer experience that is personalised and appeals to the Issuer's targeted customer segments, which are primarily upper mass, mass affluent and affluent customers.

The Issuer's retail banking business model is built for the future, with a strategic focus on maximising opportunities for partnerships with third parties to deliver digital services and products which drive the evolution of financial technology, financial inclusion and digitalisation in the GCC. This has led to creative and innovative partnerships and market offerings that are driving growth in 2023 notwithstanding meem's limited physical presence in its target countries. Through its enhanced digital model, the geographical span of meem's customer base across Saudi Arabia is increasing, enabling meem to serve a more diverse and equitable customer profile that is inclusive of gender, financial status, and geographic location.

In 2023, meem in Saudi Arabia entered a partnership with MRSOOL, a fintech delivery company, to offer customers co-branded debit and Visa Platinum credit cards with cashback on a range of purchases

domestically and internationally. Furthermore, meem Saudi Arabia added two higher tier cards, Visa Signature and Visa Infinite, to its credit card product portfolio. The expansion of the cards portfolio is aligned with the Issuer's strategy to deliver diverse card offerings to a wider and more financially inclusive customer base while complementing its desire to grow its footprint in the Saudi Arabian banking sector. The meem Saudi Arabia app delivers one of the shortest account opening times in Saudi Arabia (it is currently ranked in the top five shortest among banks) and a seamless customer experience with unique features that enable customers to enhance their financial awareness, simplify saving and track spending in line with Vision 2030 goals to create a savings culture and increase financial education and awareness amongst Saudi citizens and residents. The app also gives customers the ability to calculate their debt burden ratio before applying for any products provided by the Issuer.

Considering both Saudi Arabia's Vision 2030 (as described above) and Bahrain's Vision 2030 (a comprehensive economic vision for Bahrain set out by the Government, based upon realigning Bahrain's economy from an oil-driven economy to a more diversified, competitive economy, primarily focused on the finance, tourism, healthcare and industrial sectors), meem is well positioned to offer citizens of both countries a fully digitised personal and cashless banking experience that is simple and convenient and offers freedom of choice and value for money, positioning the Issuer to meet increased competition from banks as well as industry disruptors that have entered the GCC financial services market.

Business Activities

Loans and Advances

The GIB Group's total loans and advances amounted to U.S.\$11,497.6 million, U.S.\$11,657.5 million and U.S.\$10,489.7 million as at 31 December 2022, 31 December 2021 and 31 December 2020, respectively, representing a U.S.\$159.9 million, or 1.4 per cent., decrease as at 31 December 2022 compared to 31 December 2021 and a U.S.\$1,167.8 million, or 11.1 per cent., increase as at 31 December 2021 compared to 31 December 2020. As at 31 December 2022, 94.3 per cent. of the loan portfolio represented lending within the GIB Group's core market in the GCC states (31 December 2021: 95.7 per cent.; and 31 December 2020: 97.4 per cent.).

The following table provides a breakdown of the GIB Group's total loans and advances portfolio by sector as at 31 December 2020, 31 December 2021 and 31 December 2022.

	As at 31 December					
	2020		2021		2022	
	Amount	% of Total Loan Portfolio	Amount	% of Total Loan Portfolio	Amount	% of Total Loan Portfolio
<i>(U.S.\$ million, except percentages)</i>						
Energy, Oil and Petrochemical	1,866.1	17.3%	2,314.6	19.4%	1,693.2	14.4%
Trading and Services	1,957.6	18.2%	1,848.9	15.5%	1,951.0	16.6%
Financial Services	1,615.7	15.0%	2,101.7	17.6%	2,219.6	18.9%
Transportation	1,621.2	15.1%	1,163.2	9.7%	984.2	8.4%
Manufacturing	1,066.7	9.9%	1,297.5	10.9%	1,263.9	10.7%
Construction	471.8	4.4%	549.9	4.6%	516.4	4.4%
Communication	231.1	2.1%	83.8	0.7%	202.5	1.7%
Agriculture and mining	280.0	2.6%	269.6	2.3%	215.9	1.8%
Real Estate	620.4	5.8%	799.2	6.7%	849.5	7.2%
Government	492.7	4.6%	722.2	6.0%	901.5	7.7%
Retail	182.6	1.7%	257.0	2.2%	380.3	3.2%
Others	365.4	3.4%	545.0	4.6%	586.3	5.0%
Subtotal	10,771.3	100%	11,952.6	100%	11,764.3	100%
Provisions for impairment	(281.6)		(295.1)		(266.7)	
Total	10,489.7		11,657.5		11,497.6	

The following table provides a geographic breakdown of the GIB Group's total loans and advances portfolio as at 31 December 2020, 31 December 2021 and 31 December 2022:

	As at 31 December					
	2020		2021		2022	
	Amount	% of Total Loan Portfolio	Amount	% of Total Loan Portfolio	Amount	% of Total Loan Portfolio
	<i>(U.S.\$ million, except percentages)</i>					
GCC.....	10,216.6	97.4%	11,158.1	95.7%	10,840.0	94.3%
Other Middle East and North Africa.....	105.4	1.0%	257.4	2.2%	362.9	3.1%
Europe	0.0	0.0%	24.7	0.2%	13.0	0.1%
Asia (excluding GCC)	14.0	0.1%	84.9	0.7%	123.5	1.1%
North America	153.7	1.5%	132.4	1.1%	158.2	1.4%
Total.....	10,489.7	100%	11,657.5	100%	11,497.6	100%

60.7 per cent. of the GIB Group's total loans and advances portfolio was attributable to Saudi Arabia as at 31 December 2022 (compared to 56.7 per cent. as at 31 December 2021 and 52.3 per cent. as at 31 December 2020).

The following table provides a breakdown of the GIB Group's lending by maturity as at 31 December 2020, 31 December 2021 and 31 December 2022:

	As at 31 December					
	2020		2021		2022	
	Amount	% of Total Loan Portfolio	Amount	% of Total Loan Portfolio	Amount	% of Total Loan Portfolio
	<i>(U.S.\$ million)</i>					
Within 3 months.....	4,529.1	43.2%	4,515.2	38.7%	4,159.8	36.2%
4 months to 1 year	1,720.2	16.4%	2,040.2	17.5%	2,163.4	18.8%
Years 2 and 3.....	1,945.0	18.5%	2,565.0	22.0%	2,678.4	23.3%
Years 4 and 5.....	1,396.4	13.3%	1,689.1	14.5%	1,762.1	15.3%
Over 5 years	899.0	8.6%	848.0	7.3%	733.9	6.4%
Total	10,489.7	100%	11,657.5	100%	11,497.6	100%

As at 31 December 2022, 46.2 per cent. of the total loan portfolio comprised loans denominated in U.S. dollars (50.1 per cent. as at 31 December 2021 and 52.0 per cent. as at 31 December 2020), with the balance being denominated principally in Saudi riyal.

Credit Approval Process

Overall credit approval authority is vested with the Board, which has delegated to the Group Chief Executive Officer (the "**CEO**") and Chief Executive Officer GIB BSC (who is also Deputy Group CEO) certain authorities to approve credit exposures, based on the credit rating, market segment and ownership of the obligor. In turn, each of the CEO and Chief Executive Officer GIB BSC have delegated their credit approval authority to senior credit officers in risk management, namely to the Group Chief Risk Officer (the "**Group CRO**"), the KSA Chief Risk Officer (the "**KSA CRO**"), the Chief Credit Officers (the "**CCOs**") and Senior Credit Officers (the "**SCOs**").

The Issuer's risk assets are reviewed at least on an annual basis. For corporate credits the relevant relationship manager prepares a credit report and presents it to the Wholesale Credit Committee, which comprises the Group Chief Executive Officer, the Chief Executive Officer GIB BSC, the Group CRO, the KSA CRO, the CCOs, the Group Head of Wholesale Banking-Group and the Head of Wholesale Banking-KSA. The purpose of the Wholesale Credit Committee is to ensure that the credits being presented are consistent with the GIB Group's business strategy and credit policy. However, the ultimate decision on the approval of the credit remains with the appropriate credit delegated authority as mentioned above. For other

credits (financial institutions, governments and legacy accounts, which are mostly syndicated long-term loans), the relevant relationship manager prepares a credit report for submission to, and consideration by, the Credit Committee comprising, at a minimum, a Credit Officer, a SCO and a Risk Management SCO with sufficient delegated authority. An internal credit risk rating is assigned to each obligor. If there is any change in the prospects of the obligor at any time prior to the annual review, it is the responsibility of the relevant relationship manager to make appropriate recommendations to the Credit Committee.

Credit Risk Rating

The Issuer monitors, manages and controls credit risk exposures based on an internal credit rating system that rates individual obligors based on a rating scale from 1 (highest) to 10 (lowest), subject to positive (+) and negative (-) modifiers for rating grades 2 to 6.

The primary objectives of the internal credit rating system are the maintenance of a single uniform standard for credit quality measurement, and to serve as a basis for Board-approved risk parameters and delegated credit authority limits. The internal credit rating system also serves as a key input into the Issuer's risk-adjusted return on its capital performance measurement system. The internal ratings are assigned to borrowers, rather than facilities, and the internal rating grades are mapped to the rating grades used by international credit rating agencies.

The Issuer employs Moody's Credit Lens as its internal credit rating model for corporate exposures. Moody's Credit Lens is a credit risk rating system that combines and analyses financial and non-financial data in a flexible framework to formalise the internal credit risk rating process for corporate lenders. The Issuer also ensures that this credit rating model is subject to an annual validation exercise conducted by an independent external third-party consultant to assess and ensure satisfactory model performance and avoid underestimation of risk.

A significant majority of the GIB Group's gross loan portfolio is performing (98.4 per cent.) as at 31 December 2022 (97.5 per cent. as at 31 December 2021 and 96.6 per cent. as at 31 December 2020).

The following table shows the GIB Group's loan portfolio, with associated expected credit losses ("ECL") allowances, by IFRS 9 staging categories as at 31 December 2022:

	Gross Loan	% of Gross Loan Portfolio	ECL allowances	Net Loans
	<i>(U.S.\$ million)</i>	<i>(%)</i>	<i>(U.S.\$ million)</i>	<i>(U.S.\$ million)</i>
Stage 1.....	10,729.1	91.2%	(68.0)	10,661.1
Stage 2.....	841.3	7.2%	(81.2)	760.1
Stage 3.....	193.9	1.6%	(117.5)	76.4
Loans (Gross).....	11,764.3	100%	(266.7)	11,497.6

Under IFRS 9, the GIB Group classifies its loans into Stage 1, Stage 2 and Stage 3, as follows:

Stage 1: for loans where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired on origination, the GIB Group recognises a general (or non-specific) allowance based on the 12-month ECL.

Stage 2: for loans where there has been a significant increase in credit risk since initial recognition but they are not credit-impaired, the GIB Group recognises a general (or non-specific) allowance for the lifetime ECL.

Stage 3: for credit-impaired loans, the GIB Group recognises the lifetime ECL as a specific provision.

The Stage 1 and Stage 2 provisions reflect the probability-weighted estimate of expected credit losses. The provisions comprise both quantitative and qualitative information and analysis, based on the GIB Group's historical experience and taking into consideration both internal and external indicators and include forward-looking information.

It is the Issuer's policy to write off credit risk assets only after all reasonable restructuring and collection efforts have taken place and the possibility of further recovery is considered to be remote.

The following table illustrates the total loan loss provisions, gross past due loans, net past due loans and other data in respect of the GIB Group's non-performing and past due loans as at 31 December 2020, 31 December 2021 and 31 December 2022:

	As at 31 December		
	2020	2021	2022
	<i>(U.S.\$ million except for percentages)</i>		
Total loan loss provisions.....	281.6	295.1	266.7
Stage 1.....	59.4	45.8	68.0
Stage 2.....	40.0	82.9	81.2
Stage 3.....	182.2	166.4	117.5
Gross Stage 3 loans.....	363.5	298.4	193.9
As percentage of gross loans.....	3.4%	2.5%	1.6%
Net Stage 3 loans.....	181.3	132.0	76.4
As percentage of net loans.....	1.7%	1.1%	0.7%
Provisioning coverage for past due Stage 3 loans ⁽¹⁾	50.1%	55.8%	60.6%
Ratio of net Stage 3 loans to total equity.....	6.0%	4.3%	2.4%

Note:

⁽¹⁾ Calculated as the ECL allowance in respect of its Stage 3 loans divided by its gross Stage 3 loans.

As at 31 December 2022, the gross amount of specifically provisioned loans (corresponding to Stage 3 in the table above) was U.S.\$117.5 million (U.S.\$166.4 million as at 31 December 2021 and U.S.\$182.2 million as at 31 December 2020).

Investment Securities

The following table illustrates the investment securities portfolio by rating as at 31 December 2020, 31 December 2021 and 31 December 2022:

	As at 31 December					
	2020		2021		2022	
	<i>(U.S.\$ million)</i>	<i>Percentage of total</i>	<i>(U.S.\$ million)</i>	<i>Percentage of total</i>	<i>(U.S.\$ million)</i>	<i>Percentage of total</i>
AAA/Aaa.....	247.2	5.3%	263.5	4.4%	452.2	7.8%
AA+ to AA-/Aa1 to Aa3.....	1,577.0	33.6%	2,050.2	34.4%	2,174.0	37.5%
A+ to A-/A1 to A3.....	1,883.5	40.2%	2,076.5	34.8%	2,533.4	43.7%
BBB+ to BBB-/Baa1 to Baa3.....	338.3	7.2%	1,034.1	17.3%	124.6	2.2%
Other debt securities.....	490.0	10.4%	447.2	7.5%	408.8	7.2%
Total debt securities.....	4,536.0	96.7%	5,871.5	98.4%	5,693.0	98.4%
Equity investments.....	153.8	3.3%	97.0	1.6%	92.5	1.6%
Total.....	4,689.8	100%	5,968.5	100%	5,785.5	100%

Investment securities totalled U.S.\$5,785.5 million as at 31 December 2022. The debt investment securities portfolio represents not only a liquidity reserve but also an international geographical diversification of the GIB Group's risk assets.

Investment securities principally comprise two debt security portfolios and a more limited investment in private equity, hedge funds and listed equities. The total debt security portfolio amounted to U.S.\$5,693.0 million as at 31 December 2022, representing 98.4 per cent. of total investment securities (U.S.\$5,871.5 million as at 31 December 2021, representing 98.4 per cent.; and U.S.\$4,356.0 million as at 31 December 2020, representing 96.7 per cent.).

The larger debt security portfolio comprises floating rate securities or fixed rate securities that have been swapped to yield constant spreads over LIBOR. These accounted for U.S.\$3,604.3 million, representing 63.3 per cent. of the total debt securities portfolios as at 31 December 2022 (71.4 per cent. as at 31 December 2021 and 78.7 per cent. as at 31 December 2020).

The smaller debt security portfolio comprises fixed income securities, money book securities (including money book securities in GIBUK) and short-term treasury bills with central banks. This portfolio amounted to U.S.\$2,088.7 million as at 31 December 2022, representing 36.7 per cent. of the total debt securities

portfolio (28.6 per cent. as at 31 December 2021 and 21.3 per cent. as at 31 December 2020). This largely comprised bonds issued by the governments of GCC states and securities issued by other governments which are AAA rated.

As at 31 December 2022, 92.8 per cent. of the total debt securities comprised investment grade-rated securities. Other debt securities are those the issuers of which are rated below BBB-/Baa3 or are unrated. The credit risk associated with these securities is rigorously monitored within the overall credit risk management process. The securities are therefore subject to the same stringent credit requirements as standard lending and credit-related contingent transactions.

The following table shows a breakdown of the investment securities portfolio by geographic location as at 31 December 2022:

	<u>Securities</u>
	<u>U.S.\$</u>
	<u>millions</u>
GCC	4,217.4
Europe	217.2
North America	533.9
Asia	817.0
Total exposure	<u>5,785.5</u>

Funding

In addition to deposits, which are discussed below, the GIB Group's funding needs are met by senior term financing, equity and repo financing. As at 31 December 2022, the GIB Group's senior term financing comprises bilateral and syndicated loans, fixed rate and floating rate bonds. The senior term financing does not include any abnormal or onerous covenants.

The following table shows the sources of the GIB Group's funding as at 31 December 2020, 31 December 2021 and 31 December 2022:

	As at 31 December					
	2020		2021		2022	
	<i>U.S.\$ million</i>	<i>Percentage of total</i>	<i>U.S.\$ million</i>	<i>Percentage of total</i>	<i>U.S.\$ million</i>	<i>Percentage of total</i>
Deposits from banks	708.6	2.5%	991.3	3.2%	509.1	1.6%
Deposits from customers	19,577.9	68.9%	20,994.8	68.1%	21,940.5	70.6%
Securities sold under agreements to repurchase	175.2	0.6%	685.2	2.2%	537.4	1.7%
Senior term financing	4,924.9	17.3%	5,100.1	16.5%	4,940.9	15.9%
Equity	3,012.5	10.6%	3,093.0	10.0%	3,184.2	10.2%
Total	<u>28,399.1</u>	<u>100%</u>	<u>30,864.4</u>	<u>100%</u>	<u>31,112.1</u>	<u>100%</u>

Deposits from banks and deposits from customers as at 31 December 2022 totalled U.S.\$22,449.6 million (compared to U.S.\$21,986.1 million at 31 December 2021 and U.S.\$20,286.5 million at 31 December 2020). Deposits from customers amounted to U.S.\$21,940.5 million as at 31 December 2022, being U.S.\$945.7 million higher than as at 31 December 2021 (U.S.\$20,994.8 million as at 31 December 2021, being U.S.\$1,416.9 million higher than as at 31 December 2020). Deposits from customers as at 31 December 2022 represented 97.7 per cent. of total deposits compared to 95.5 per cent. as at 31 December 2021 and 96.5 per cent. as at 31 December 2020. Deposits from banks amounted to U.S.\$509.1 million as at 31 December 2022 being U.S.\$482.2 million lower than as at 31 December 2021 (U.S.\$991.3 million as at 31 December 2021, being U.S.\$282.7 million higher than as at 31 December 2020).

The maturity profile of the GIB Group's deposits as at 31 December 2022, 31 December 2021 and 31 December 2020 was as follows:

	Within 3 months	4 months to 1 year	Years 2 and 3	Years 4 and 5	Over 5 years and undated	Total
	<i>(U.S.\$ million)</i>					
As at 31 December 2022	17,085.2	5,364.4	—	—	—	22,449.6
As at 31 December 2021	16,426.7	5,548.0	11.4	—	—	21,986.1
As at 31 December 2020	17,821.3	2,373.0	92.2	—	—	20,268.5

The deposit maturities are based on contractual repayment arrangements and as such do not take account of their actual term as indicated by the GIB Group's deposit retention records. The Issuer's formal liquidity controls are based on contractual and behavioural asset and liability maturities.

As at 31 December 2022, 42.9 per cent. of all deposits were denominated in U.S. dollars (45.1 per cent. as at 31 December 2021 and 35.9 per cent. as at 31 December 2020). The balance was principally denominated in Saudi riyal and pounds sterling.

As at 31 December 2022, 52.1 per cent. of all deposits were derived from counterparties in Saudi Arabia (58.2 per cent. as at 31 December 2021 and 57.4 per cent. as at 31 December 2020) and 10.5 per cent. of all deposits were derived from counterparties in the MENA region excluding Saudi Arabia (9.8 per cent. as at 31 December 2021 and 8.8 per cent. as at 31 December 2020).

Anti-Money Laundering

The Issuer's current anti-money laundering, combating terrorism financing, and sanctions ("**AML/CTF**") policies and guidelines are in compliance with the legal and regulatory requirements of Bahrain (the AML Law of 2001 and its amendments and the Central Bank of Bahrain Rulebook, Volume 1, Financial Crime Module). These legal and regulatory requirements reflect the Financial Action Task Force recommendations on money laundering and terrorist financing.

The Issuer's AML/CTF procedures and guidelines apply to the GIB Group. In addition, GIB Group entities located outside Bahrain are subject to the laws and requirements of the jurisdictions where they operate and, if local standards differ, the higher standards shall apply.

The Issuer has established systems and procedures to ensure that business relationships are commenced with clients whose identity and activities can reasonably be established to be legitimate, including the identification of the beneficial owners. The Issuer collects, records and retains all relevant client information in accordance with the regulatory requirements. The Issuer also has systems in place to monitor, identify and report suspicious transactions. AML/CTF training is regularly provided to employees. In addition, both internal and external auditors review the effectiveness of the AML/CTF procedures and controls on an annual basis.

The Issuer prohibits dealings with shell banks, casinos and gambling businesses, entities whose shares are issued in bearer form, any jurisdiction or party targeted by applicable international sanctions, and any other illegal business based on local laws. The Issuer also does not offer payable through accounts and prohibits maintaining anonymous accounts or accounts in fictitious names.

The Issuer is committed to comply with sanctions programmes issued by the United Nations, the U.S. Office of Foreign Asset Control (OFAC), the U.S. Department of State, His Majesty's Treasury of the United Kingdom, the European Union, and sanction programmes put in place by the local authorities where the GIB Group operates. In that context, the Issuer is committed to prevent, detect and, where applicable, report any dealings with sanctioned persons.

The Issuer has also established policies and procedures designed for customers and transactions screening against international and locally listed names and designated entities. The transaction monitoring system has specific scenarios to monitor all types of illicit activity and mitigate the risks of AML/CTF and comply with all local and applicable international sanctions programmes.

A proactive structure of officers is in place to ensure GIB Group-wide compliance with AML/CTF procedures, and the timely update of the same to reflect changes in regulatory requirements. This structure consists of the Group Chief Compliance Officer and Group Money Laundering Reporting Officer, Money Laundering Reporting Officers ("**MLROs**"), Deputy MLROs, and Compliance Officers.

Regulatory Capital

The GIB Group's lead regulator, the CBB, sets and monitors capital requirements for the GIB Group as a whole. The parent company and individual banking operations are directly supervised by their local regulators.

As at 31 March 2023, the GIB Group had a total regulatory capital base of U.S.\$2,601.8 million and total risk-weighted exposure of U.S.\$18,641.4 million. As at 31 March 2023, the GIB Group's capital adequacy ratio calculated in accordance with the CBB Basel III guidelines was 16.4 per cent.

As at 31 December 2022, the GIB Group had a total regulatory capital base of U.S.\$2,973.3 million and total risk-weighted exposure of U.S.\$17,187.8 million. As at 31 December 2022, the GIB Group's capital adequacy ratio calculated in accordance with the CBB Basel III guidelines was 16.1 per cent. (compared to 17.3 per cent. as at 31 December 2021 and 17.2 per cent. as at 31 December 2020, each also under Basel III guidelines).

The CBB's minimum capital adequacy ratio is 12.5 per cent. compared to a minimum ratio of 8.0 per cent. prescribed by the Basel Committee on Banking Supervision. The GIB Group calculates regulatory capital requirements for general market risk in its trading portfolios using a Value at Risk ("VaR") model and uses the CBB's prescribed risk weightings to determine risk-weighted amounts for credit risk and specific market risk.

The regulatory capital base of the GIB Group as at 31 March 2023 is set out in the table below:

	Tier 1	Tier 2	Total
	<i>U.S.\$ millions</i>		
Regulatory capital base	2,601.8	—	2,601.8
Collective impairment provisions.....	—	170.8	170.8
Total minority interest in banking subsidiaries given recognition in T2 capital	—	281.5	281.5
Tier 1 and tier 2 capital base	<u>2,601.8</u>	<u>452.3</u>	<u>3,054.1</u>

The GIB Group's risk exposures are categorised as either trading book or banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures.

The GIB Group's policy is to maintain a strong capital base so as to sustain investor, creditor and market confidence and to preserve the future development of the business. The impact of the level of capital on shareholders' return is also recognised as well as the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. The GIB Group manages its capital structure and makes adjustments to the structure taking account of changes in economic conditions and strategic business plans.

Since the implementation of Basel III, the Issuer provides to the CBB a quarterly assessment of its regulatory capital, liquidity (Liquidity Coverage Ratio and Net Stable Funding Ratio) and leverage ratios based on the Basel III guidelines issued by the Basel Committee on Banking Supervision. As at 31 March 2023, the GIB Group was in compliance with all of the minimum ratios prescribed by the CBB.

Subsidiaries

The Issuer has the following principal subsidiaries (excluding financing vehicles): GIBUK, GIB KSA (50 per cent. owned but consolidated as GIB has control), GIB Capital and GIB KSA Markets Limited (both wholly owned by GIB KSA) and GIB Markets Limited.

GIBUK

GIBUK is incorporated in the United Kingdom and is regulated by the PRA and the FCA. GIBUK's principal business activity is focused on client-related activities in treasury and asset management.

GIB KSA

GIB KSA is a closed joint stock company incorporated in Saudi Arabia and offers a full range of banking products through its branches in Riyadh, Jeddah and Dhahran. The Issuer and the PIF each hold 50 per cent. of the issued share capital of GIB KSA. GIB KSA is licensed by SAMA.

GIB Capital

GIB Capital offers various investment banking, asset management and brokerage services in Saudi Arabia. GIB Capital is incorporated in Saudi Arabia and has a paid up share capital of SAR 200 million. GIB Capital is regulated by the CMA.

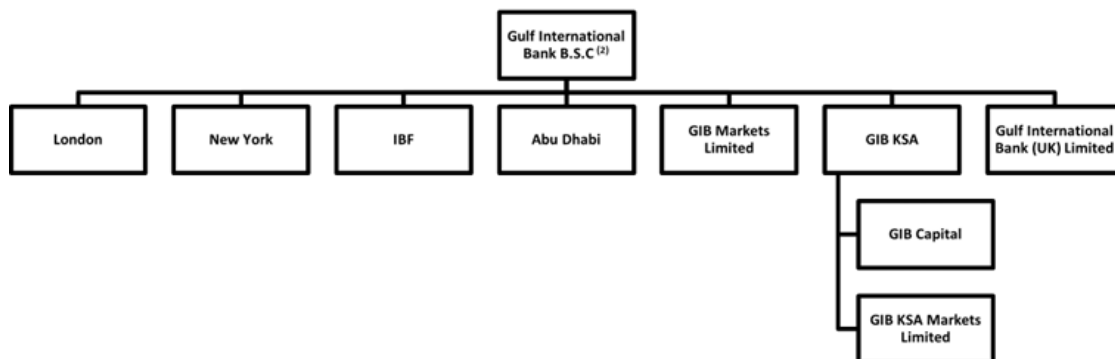
GIB KSA Markets Limited

GIB KSA Markets Limited is an exempt company with limited liability in the Cayman Islands owned by GIB KSA with an authorised capital of U.S.\$50,000 and is wholly owned by GIB KSA. The purpose of the company is primarily to enter into derivative contracts with market counterparties.

GIB Markets Limited

GIB Markets Limited is an exempt company with limited liability in the Cayman Islands with an authorised capital of U.S.\$50,000 and is wholly owned by the Issuer. The purpose of the company is primarily to enter into derivative contracts with market counterparties.

The following chart shows the organisation of the GIB Group's principal subsidiaries and branches⁽¹⁾:



Notes:

⁽¹⁾ Excludes special purpose companies and non-principal subsidiaries.

⁽²⁾ Gulf International Bank B.S.C. operates four international branches; London (UK), Abu Dhabi (UAE), New York (U.S.) and IBF (International Bank Facility) (U.S.) as well as a representative office in Dubai (UAE).

RISK MANAGEMENT

The Issuer maintains a prudent and disciplined approach to risk-taking by upholding a comprehensive set of risk management policies, processes and limits, employing professionally qualified people with the appropriate skills, investing in technology and training, and actively promoting a culture of sound risk management at all levels. A key tenet of this culture is the clear segregation of duties and reporting lines between personnel transacting business and personnel processing that business. The Issuer's risk management is underpinned by its ability to identify, measure, aggregate and manage the different types of risks it faces.

The Board has created from among its members a Board Risk Policy Committee to review the GIB Group's risk taking activities and report to the Board in this regard. The Board has the ultimate responsibility for setting the overall risk parameters and tolerances within which the GIB Group conducts its activities, including responsibility for setting the capital ratio targets. The Board reviews the GIB Group's overall risk profile and significant risk exposures as well as the GIB Group's major risk policies, processes and controls.

The Management Committee, chaired by the CEO, has the primary responsibility for sanctioning risk taking policies and activities within the tolerances defined by the Board. The Group Risk Committee assists the Management Committee with performing its risk-related functions.

The Group Risk Committee, under the chairmanship of the CRO and comprising the GIB Group's most senior risk professionals, provides a forum for the review and approval of new products, risk measurement methodologies and risk control processes. The Group Risk Committee also reviews all risk policies and limits that require approval by the Management Committee. The Assets and Liabilities Committee (the "**ALCO**"), chaired by the CFO, provides a forum for the review of asset and liability activities within the GIB Group. It coordinates the asset and liability functions and serves as a link between the funding sources and usage in the different business areas.

From a control perspective, the process of risk management is facilitated through a set of independent functions. These functions include risk management, financial control and compliance. This multifaceted approach aids the effective management of risk by identifying, measuring and monitoring risks from a variety of perspectives.

Credit Risk

Credit risk is actively managed and rigorously monitored in accordance with well-defined credit policies and procedures. Prior to the approval of a credit proposal, a detailed credit risk assessment is carried out which includes an analysis of the obligor's financial condition, market position, business environment and quality of management. The risk assessment generates an internal credit risk rating for each exposure, which affects the credit approval decision and the terms and conditions of the transaction. For cross-border transactions, an analysis of country risk is also conducted. The credit decision for an individual counterparty is based on the aggregate GIB Group exposure to that counterparty and all its related entities. GIB Group-wide credit limit setting and approval authorisation requirements are conducted within Board-approved guidelines, and the measurement, monitoring and control of credit exposures are undertaken on a GIB Group-wide basis in a consistent manner.

Overall exposures are evaluated to ensure broad diversification of credit risk. Potential concentration risks by product, industry, currency, single obligor, credit risk rating and geography are regularly assessed with a view to improving overall portfolio diversification. Established limits and actual levels of exposure are regularly reviewed by the Group CRO, the KSA CRO and the CCOs and other members of senior management. In general, all credit exposures are reviewed at least once a year. Credit policies and procedures are designed to identify, at an early stage, exposures which require more detailed monitoring and review.

Market Risk

Market risk is the risk of loss of value of a financial instrument or a portfolio of financial instruments as a result of adverse changes in market prices and rates, and market conditions such as liquidity. Market risk arises from the GIB Group's trading, asset and liability management, and investment activities.

The categories of market risk to which the GIB Group is exposed are as follows:

- Interest rate risk results from exposure to changes in the level, slope, curvature and volatility of interest rates and credit spreads.
- Credit spread risk is the risk that the interest yield for a security will increase, with a reduction in the security price, relative to benchmark yields as a result of general market movements for that rating and class of security. Interest rate risk is the principal market risk faced by the GIB Group and arises from the GIB Group's investment activities in debt securities, asset and liability management, and the trading of debt and off-balance sheet derivative instruments.
- Foreign exchange risk results from exposure to changes in the price and volatility of currency spot and forward rates. The principal foreign exchange risk arises from the GIB Group's foreign exchange forward and derivative trading activities.
- Equity risk arises from exposures to changes in the price and volatility of individual equities or equity indices.

The GIB Group seeks to manage exposure to market risk through the diversification of exposures across dissimilar markets and the establishment of hedges in related securities or off-balance sheet derivative instruments. To manage the GIB Group's exposures, in addition to the exercise of business judgement and management experience, the GIB Group utilises limit structures including those relating to positions, portfolios, maturities and maximum allowable losses.

A key element in the GIB Group's market risk management framework is the estimation of potential future losses that may arise from adverse market movements. The GIB Group utilises VaR and Expected Shortfall ("ES") to estimate such losses including tail risk. The VaR and ES are derived from quantitative models that use statistical and simulation methods that take account of all market rates and prices that may cause a change in a position's value. These include interest rates, foreign exchange rates and equity prices, their respective volatilities and the correlations between these variables.

VaR and ES are viewed as effective risk management tools and a valuable addition to the non-statistically based limit structure. Exposures are monitored against a range of limits both by risk category and portfolio and are regularly reported to and reviewed by senior management and the Board.

An inherent limitation of VaR is that past market movements may not provide an accurate prediction of future market losses. In addition to VaR and ES, the Issuer regularly conducts stress tests to estimate its potential economic losses in such abnormal markets. These stress tests are constructed around changes in market rates and prices resulting from predefined market stress scenarios, including both historical and hypothetical market events. Stress testing is performed for all material market risk portfolios.

Liquidity Risk

Liquidity risk is defined as the risk that sufficient funds are not available to meet the GIB Group's financial obligations on a punctual basis as they fall due. Liquidity risk arises from timing differences between the maturities of assets and liabilities, and the Issuer's inability to raise the needed funds in the marketplace.

The GIB Group's liquidity risk strategy forms part of its overarching risk appetite which requires the Issuer to provide oversight of liquidity management and contingent funding strategies to ensure the continued viability and funding of the GIB Group at all times.

The Issuer's liquidity risk strategy is to ensure that (i) funds are available in line with business expectations under both normal business conditions and extreme conditions caused by unforeseen events and (ii) the on and off-balance sheet structural gap remains within normal distribution of cumulative maturities peaking within the year. The GIB Group manages liquidity prudently to meet both financial commitments and facilitate business expansion and at the same time avoid raising funds at excessive premiums over the market rate or through the forced sale of assets. The GIB Group maintains a diversified funding base to avoid undue dependence on maturity or funding sources concentration.

The GIB Group's liquidity controls ensure that, over the short- and medium-term, the behavioural profile of cash flows from maturing assets and liabilities is adequately managed and any negative gaps are within the approved risk appetite. Liquidity controls also provide for the maintenance of a stock of liquid and

readily realisable assets and a diversified funding base in terms of both maturities and range of sources of liquidity.

In order to ensure adherence to its overall risk appetite, the GIB Group undertakes regular liquidity environment analyses of:

- Sources of liquidity risk: in order to anticipate and identify any internal or external developments that could lead to a potential adverse liquidity event.
- Liquidity forecasting: projecting the liquidity profile of the Issuer in order to identify future funding needs and gaps.
- Liquidity limits: adhering to regulatory requirements, as well as aligning such liquidity limits to account for the Issuer's internal limits, tolerances and risk appetite.
- Liquid reserves: ensuring an appropriate amount of liquidity buffers is maintained through a stock of unencumbered high-quality liquid assets that can easily be converted to cash in the event of any unforeseen interruption.
- Stress testing: conducting stress testing to measure the effect of abnormal market conditions on the liquidity profile of the Issuer. Any potential shortfall in funding under the various stress scenarios is clearly identified and managed through additional liquidity buffers.
- Contingency planning: specifying immediate actions for obtaining replacement funding and alternative funding resources including contingent funding lines in order to be able to generate sufficient liquidity under critical conditions. The GIB Group's contingency funding plan and early warning triggers are designed to identify early indicators of stress conditions and prescribe the actions to be taken in the event of a systemic or other crisis, while minimising adverse long-term implications for the GIB Group's business activities.

It is the GIB Group's general policy that each geographic entity should be self-sufficient in relation to funding its own operations.

Operational Risk

Operational risk is the risk of loss arising from inadequate or failed internal processes, people and systems or from external events, whether intentional, unintentional or natural. It is an inherent risk faced by all businesses and covers a large number of potential operational risk events including business interruption and systems failures, internal and external fraud, employment practices and workplace safety, customer and business practices, transaction execution and process management, and damage to physical assets.

Operational risk is a distinct risk category which the GIB Group manages within acceptable levels through sound operational risk management practices that are part of the day-to-day responsibilities of management at all levels. Whilst operational risk cannot be eliminated in its entirety, the GIB Group endeavours to minimise it by ensuring that a strong control infrastructure is in place throughout the organisation.

The objective in managing operational risk is to ensure control of the GIB Group's resources by protecting the assets of the GIB Group and minimising the potential for financial loss. The GIB Group's risk management approach involves identifying, assessing, managing, mitigating, monitoring and measuring the risks associated with all areas of the GIB Group. Control assessments are performed on all services of the GIB Group with the participation of representatives from the relevant businesses, legal and the risk and finance departments. Various policies, procedures and processes are used to manage operational risk and include effective staff training, appropriate controls to safeguard assets and records, regular reconciliation of accounts and transactions, appropriate budgeting, target setting and performance review, compliance with regulations, close monitoring of risk limits, segregation of duties, and financial management and reporting. In addition, policies have been put in place to manage other control mitigation strategies for business continuity planning, insurance and legal risk (which includes regular reporting to management on legal matters).

Qualitative and quantitative methodologies and tools are used to identify and assess operational risk and to provide management with information for determining appropriate mitigating factors. These tools include a database of operational risk events categorised according to business lines and operational risk event

types; a record of key risk indicators, which can provide an early warning of possible risk; and a risk and control self-assessment process to analyse business activities and identify operational risks related to those activities. The management of operational risk has a key objective of minimising the impact of losses suffered in the normal course of business (expected losses) and to avoid or reduce the likelihood of suffering a large extreme (unexpected) loss. There is a dedicated operational risk function for the GIB Group which reports to the Operational Risk Management Committee and Group Risk Committee. The Board meets on a quarterly basis and is updated on all relevant aspects of the business including operational risk management matters. High impact risks and issues of critical importance are reported to the Board.

Other Risks

The Issuer's compliance function, which reports directly to the Audit Committee of the Board, maintains best practice and procedures relating to the management of the risk of failure to comply with legal and regulatory requirements. The information security function secures the GIB Group's information assets and payment and settlement systems.

Internal Audit

The Internal Audit Division ("**IAD**") provides independent, objective assurance and advisory services to assist with maintaining an effective and efficient system of internal controls across the Issuer, its subsidiaries and branches and also supports the Board and the Board Audit Committee in their oversight of the governance, risk and control framework. The Chief Auditor reports functionally to the Board Audit Committee and administratively to the Group CEO.

In line with Institute of Internal Auditors standards, the IAD follows a risk-based approach when carrying out risk assessments across the Issuer to determine the audit plan, which is approved by the Board Audit Committee.

The nature of the internal audit work encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the Issuer's corporate governance framework, risk management and system of internal controls to achieve the Issuer's stated goals and objectives and the IAD makes appropriate recommendations for improvements.

The results of the internal audits, with detailed recommendations for improvements, are tracked to ensure full resolution. All observations are shared with senior management for action tracking purposes.

On periodic basis, the Board Audit Committee reviews the internal audit activities, including the audit issues identified and the status of the audit plan and recommendations.

MANAGEMENT AND HUMAN RESOURCES

Board of Directors

Following the end of the three-year Board term on 9 November 2021, a new Board of Directors was appointed for a new term commencing on 10 November 2021.

The current Board comprises 10 members, with five independent directors, four non-executive directors and one executive director. The classification is in accordance with criteria established by the CBB.

The Board comprises the following members:

Chairman	<i>Eng. Abdulla Al-Zamil, Non-executive Director</i> Saudi Arabian Citizen. Mr. Al-Zamil was appointed to the Board in 2009. He is the Chief Executive Officer of Zamil Industrial Investment Company in Saudi Arabia and the Chairman of the Board of GIB Capital. He is the Chairman of the Executive Committee and a member of the Innovation Committee.
Vice-Chairman	<i>Dr. Najem Al-Zaid, Independent Director</i> Saudi Arabian Citizen. Dr. Al-Zaid was appointed to the Board in August 2018. He is the founding partner of ZS&R Law Firm and was a Commissioner and Board Member of the CMA. He is the Chairman of the Board Risk Policy and the Governance and the Nomination & Remuneration Committees.
Board Member	<i>Abdulaziz Al-Helaissi, Executive Director</i> Saudi Arabian Citizen. Mr. Al-Helaissi was appointed to the Board as an executive director in 2016. He is the Group Chief Executive Officer, and is the Chairman of the Board of GIBUK. He is a member of the Executive and Innovation Committees.
Board Member	<i>Sultan Al-Sheikh, Non-executive Director</i> Saudi Arabian Citizen. Mr. Al-Sheikh was appointed to the Board in August 2018 and is a Director at the Local Holdings Investment Division at the PIF. He is a member of the Audit and Innovation Committees.
Board Member	<i>Bander bin Mogren, Non-executive Director</i> Saudi Arabian Citizen. Mr. Bander was appointed to the Board in August 2018 and is the Chief Operating Officer at the PIF. He is a member of the Governance, Nomination and Remuneration Committee.
Board Member	<i>Dr. Khaled Al-Sweilem, Independent Director</i> Saudi Arabian Citizen. Dr. Al-Sweilem was appointed to the Board in November 2021 and is the Chairman of Ashmore Investment Saudi Arabia. He is a member of the Board Risk Policy Committee.
Board Member	<i>Fahad Al-Saif, Non-executive Director</i> Saudi Arabian Citizen Mr. Al-Saif was appointed to the Board in November 2021. He is the Senior Managing Director and the Head of the Global Capital Finance Division at the PIF. He is a member of the Executive and the Board Risk Policy Committees.
Board Member	<i>Frank Schwab, Independent Director</i> German Citizen. Mr. Schwab was appointed to the Board in August 2018 and is the founding partner at FinTech Forum.

Board Member	<p>He is the Chairman of the Innovation Committee and a member of the Board Risk Policy, Governance, Nomination & Remuneration and Audit Committees.</p> <p><i>Nezar Al-Saie, Independent Director</i> Bahraini Citizen. Mr. Al-Saie was appointed to the Board in March 2022 and is the Vice Chairman of the Board of Directors of Gulf Union Holding Company. He is a member of the Board Risk Policy and Innovation Committee.</p>
Board Member	<p><i>Rajeev Kakar, Independent Director</i> Indian Citizen. Mr. Kakar was appointed to the Board in August 2018 and is a Co-Founder, Managing Director on the Board and Chief Executive Officer of Dunia Finance LLC in the United Arab Emirates. He is the Chairman of the Audit Committee and a member of the Executive Committee.</p>

The business address for each director listed above is:

Gulf International Bank B.S.C.
Al-Dowali Building
3 Palace Avenue
P.O. Box 1017
Manama, Kingdom of Bahrain

Board Committees

The Board has established the following five specialised committees:

The Executive Committee

The Executive Committee is authorised to formulate executive policy for the Issuer and supervise the implementation of the executive policy, assist the Board by reviewing, evaluating and making recommendations with regard to key strategic issues such as mergers, acquisitions or material changes in key strategic objectives or direction, approve credit limits that exceed the authority of the CEO subject to the limits approved by the Board and such other responsibilities specifically mandated to it by resolution of the Board.

The Audit Committee

The Audit Committee's responsibilities include, without limitation, assisting the Board in providing oversight of the integrity of the GIB Group's financial statements, the Issuer's compliance with legal and regulatory requirements, the external auditors' qualifications and independence, the performance of the Issuer's internal audit function, independent audits and regulatory inspections, the review of GIB's systems of internal controls regarding finance, accounting, legal, compliance and ethics that management and the Board have established and the review of the GIB Group's auditing, accounting and financial reporting policies and processes (see further "– Risk Management – Other Risks" above).

The Board Risk Policy Committee

The Risk Policy Committee's role is to act as the agent of the Board in ensuring that the Issuer has an effective risk management framework in place and that all risk controls operating throughout the GIB Group are in accordance with the regulatory requirements and best practice standards for the management of risks in banks.

The Governance, Nomination and Remuneration Committee

The Governance, Nomination and Remuneration Committee's responsibilities include formulation of the Issuer's executive and staff remuneration policies as well as establishing processes for the identification of, and recommending suitable candidates for, senior management, establishing processes for the review of the

performance of the individual directors and the Board as a whole, establishing processes for the review of the performance of senior management and recommending to the Board the appropriate skill criteria and any applicable regulatory requirements to be taken into account in the shareholders' assessment of new candidates for directorships. In addition, the committee governs and outlines the procedures and guidelines in relation to compliance with the corporate governance principles applicable to the Issuer.

The Innovation Committee

The Innovation Committee's role is to review the Issuer's overall capabilities and strategic direction in matters of FinTech, innovation, including investment in research and development and other technological initiatives, and to identify opportunities that could have a significant impact on the GIB Group's operations in pursuit of its long-term strategic goals.

Senior Management

The current senior management team of the Issuer is as follows:

Group Chief Executive Officer	<i>Abdulaziz Al-Helaissi</i> Saudi Arabian Citizen
Deputy Group Chief Executive Officer & CEO of GIB B.S.C.	<i>Jamal AlKishi</i> Saudi Arabian Citizen
Group Chief Financial Officer	<i>Marwan Abiad</i> Lebanese Citizen
Group Chief Operating Officer	<i>Mushari AlOtaibi</i> Saudi Arabian Citizen
Group Chief Investment & Treasury Officer	<i>Sara Abdulhadi</i> Saudi Arabian Citizen
Group Head of Wholesale Banking	<i>Khaled Abbas</i> Saudi Arabian Citizen
Group Head of Digital Banking	<i>Sridhar Iyer</i> Indian Citizen
Chief Executive Officer, GIB Capital	<i>Osamah Shaker</i> Saudi Arabian Citizen
Group Chief Auditor	<i>Ali Abdulhadi</i> Saudi Arabian Citizen
Group Chief Risk Officer	<i>Arun Hari</i> Indian Citizen
Group Chief Human Resources Officer	<i>Helen Lloyd</i> British Citizen
Group Chief Information Officer	<i>Hussain Bu Haliqah</i> Saudi Arabian Citizen
Chief Compliance Officer & Anti-Financial Crime	<i>Saleem Al Dabbagh</i> Saudi Arabian Citizen
Group Head of Retail Banking (Acting)	<i>Mushari Alotaibi</i> Saudi Arabian Citizen
Group Head of Wealth Management	<i>Mark Hirst</i> British Citizen
Head of Legal	<i>Ramnath Narayanan</i> Indian Citizen
Group Chief Transformation Officer	<i>Sukhwinder Nijjar</i> British Citizen
Group Chief Corporate Development Officer	<i>Maya Bsar</i> Swiss Citizen
Group Economist Consultant	<i>Rima Bhatia</i> Bahraini Citizen
Special Assets Unit Head	<i>Ahmed Hussain</i> Bahraini Citizen
Shariah Compliance Banking Head	<i>Vacant</i>

**Managing Director, Chief Executive Officer of *Katherine Garrett-Cox*
Gulf International Bank (UK) Limited.....**

British Citizen

The business address for each member of senior management listed above except for Ali Abdulhadi, Hussain Bu Haliqah, Saleem AlDabbagh, Osamah Shaker and Katherine Garrett-Cox is:

Gulf International Bank B.S.C.
Al-Dowali Building
3 Palace Avenue
P.O. Box 1017 Manama
Kingdom of Bahrain

The business address for Ali Abdulhadi, Hussain Bu Haliqah and Saleem AlDabbagh is:

GIB Saudi Arabia
5515 Cooperative Council Road
SAIkhuzama Area, Unit No. 54,
AlKhubar 34721-8208
Kingdom of Saudi Arabia

The business address for Osamah Shaker is:

GIB Capital
3rd Floor, Low Rise Building 1
Granada Business & Residential Park
Eastern Ring Road
P. O. Box 89589
Riyadh 11692
Kingdom of Saudi Arabia

The business address for Katherine Garrett-Cox is:

Gulf International Bank (UK) Limited
One Knightsbridge
London SW1X 7XS
United Kingdom

Conflicts

The Issuer has a Code of Conduct approved by the Board that contains rules on conduct, ethics and on avoiding conflict of interest, applicable to all of the employees and directors of the GIB Group. Annually, the Board reviews the declaration of directors and senior management regarding their outside activities and interests to determine whether any conflict of interest exists and takes appropriate steps in that regard.

There are no potential conflicts of interest between any duties of any director or any member of senior management of the Issuer and any private or other duty (including those listed above) of that director or that member of senior management.

Employees

As at 31 December 2022, the GIB Group had a total of 1,264 employees (compared to 1,188 employees as at 31 December 2021 and 1,017 employees as at 31 December 2020).

Although the Issuer experienced some initial disruption to service delivery in the early days of the COVID-19 pandemic, it is now increasing its strategic project activity to deliver new and improved services to customers. Whilst the Issuer is not currently expecting to actively reduce full time headcount, it continues to closely monitor recruitment activities to ensure resources are directed primarily to areas supporting its growth objectives.

The Issuer took extensive action to minimise the effects of the pandemic on its staff and, although flexible working arrangements remain in place, virtually all staff are now working at the office again.

TAXATION

The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

Bahrain

Under the current laws of Bahrain, there are no corporate or personal income taxes, withholding or capital gains taxes or stamp duties that would apply in respect of Notes issued by the Issuer.

FATCA

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" (as defined by FATCA) may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Bahrain) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining "foreign passthru payments" are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are published generally would be grandfathered for the purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under Condition 18 (*Further Issues*)) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Noteholders should consult their own tax advisers regarding how these rules may apply to their investment in Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding (as described under Condition 12 (*Taxation*)).

The proposed financial transactions tax

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common financial transaction tax ("**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal, FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including: (i) by transacting with a person established in a participating Member State; or (ii) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of Citigroup Global Markets Limited, First Abu Dhabi Bank P.J.S.C., GIB Capital (A Single Shareholder Company), HSBC Bank plc, J.P. Morgan Securities plc, Mizuho International plc and SMBC Nikko Capital Markets Limited (the "Dealers"). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in an amended and restated dealer agreement dated 24 July 2023 (the "**Dealer Agreement**") and made between the Issuer and the Dealers. Any such agreement will, *inter alia*, make provision for the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes. Each new Dealer so appointed will be required to represent, warrant and undertake to the following selling restrictions as part of its appointment.

In the Dealer Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code of 1986, as amended, and Treasury regulations promulgated thereunder. The relevant Final Terms or the relevant Pricing Supplement (as the case may be) will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA rules are not applicable.

Each Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes: (i) as part of their distribution at any time; or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche, as determined and certified to the Fiscal Agent or the Issuer by such Dealer (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to the Notes of such Tranche purchased by or through it, in which case the Fiscal Agent or the Issuer shall notify each such Dealer when all such Dealers have so certified) within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Dealer has also agreed that it will send to each dealer to which it sells Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the completion of the distribution of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Terms used in the above paragraphs have the meanings given to them by Regulation S.

Prohibition of Sales to EEA Retail Investors

Unless the relevant Final Terms or the relevant Pricing Supplement (as the case may be) in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors", as "Not Applicable", each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the relevant Final Terms or the relevant Pricing Supplement (as the case may be) in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (i) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (b) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and
 - (c) not a qualified investor as defined in the Prospectus Regulation; and
- (ii) the expression "**an offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the relevant Final Terms or the relevant Pricing Supplement (as the case may be) in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable" in relation to each Member State of the EEA each Dealer has represented and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (a) **Qualified investors:** at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;
- (b) **Fewer than 150 offerees:** at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) **Other exempt offers:** at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129.

United Kingdom

Prohibition of sales to UK Retail Investors

Unless the Final Terms or the relevant Pricing Supplement (as the case may be) in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the relevant Final Terms or the relevant Pricing Supplement (as the case may be) to any retail investor in the United Kingdom. For the purposes of this provision:

- (i) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
 - (b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

- (c) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (ii) the expression "**an offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the relevant Final Terms or the relevant Pricing Supplement (as the case may be) in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the by the relevant Final Terms or the relevant Pricing Supplement (as the case may be) in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (a) **Qualified investors:** at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (b) **Fewer than 150 offerees** at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) **Other exempt offers:** at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

Other UK Regulatory Restrictions

Each Dealer has represented and agreed that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if it was not an authorised person, apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Switzerland

Each Dealer has acknowledged that: (i) the Notes may not be publicly offered, sold or advertised, directly or indirectly, in or from Switzerland; and (ii) neither this Base Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Federal Code of Obligations. Further, each Dealer has agreed that neither this Base Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available by it in Switzerland.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**"). Accordingly, each Dealer has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws and regulations of Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Singapore

Each Dealer has acknowledged that this Base Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than:

- (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA;
- (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or
- (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Bahrain

Each Dealer has represented and agreed that it has not offered or sold, and will not offer or sell, any Notes except on a private placement basis to persons in the Kingdom of Bahrain who are "accredited investors".

For this purpose, an "**accredited investor**" means:

- (i) an individual who has a minimum net worth (or joint net worth with their spouse) of U.S.\$1,000,000 (excluding that person's principal place of residence);
- (ii) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.\$1,000,000; or
- (iii) a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund).

Kingdom of Saudi Arabia

No action has been or will be taken in the Kingdom of Saudi Arabia that would permit a public offering of the Notes. Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "**Saudi Investor**") who acquires any Notes pursuant to an offering should note that the offer of Notes is a private placement under Article 8 of the "Rules on the Offer of Securities and Continuing Obligations" as issued by the Board of the Capital Market Authority resolution number 3-123-2017 dated 27 December 2017, as amended by Capital Market Authority resolution number 8-5-2023 dated 18 January 2023 (the "**KSA Regulations**"), made through a capital market institution licensed to carry out arranging activities by the Capital Market Authority and following a notification to the CMA under Article 10 of the KSA Regulations.

The Notes may thus not be advertised, offered or sold to any person in the Kingdom of Saudi Arabia other than to "institutional and qualified clients" under Article 8(a)(1) of the KSA Regulations or by way of a limited offer under Article 9 of the KSA Regulations.

Each Dealer has represented and agreed that any offer of Notes made by it to a Saudi Investor will be made in compliance with Article 10 and either Article 8(a)(1) or Article 9 of the KSA Regulations.

Each offer of Notes shall not therefore constitute a "public offer", an "exempt offer" or a "parallel market offer" pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 14 of the KSA Regulations.

United Arab Emirates (excluding the Dubai International Financial Centre and the Abu Dhabi Global Market)

Each Dealer has represented and agreed that the Notes have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering or sale of securities.

Dubai International Financial Centre

Each Dealer has represented and agreed that it has not offered and will not offer the Notes to any person in the Dubai International Financial Centre unless such offer is:

- (i) an "**Exempt Offer**" in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the "**DFSA**"); and
- (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA rulebook.

State of Qatar (including the Qatar Financial Centre)

Each Dealer has represented and agreed that it has not offered, delivered or sold, and will not offer, deliver or sell at any time, directly or indirectly, any Notes in the State of Qatar (including the Qatar Financial Centre), except: (a) in compliance with all applicable laws and regulations of the State of Qatar (including the Qatar Financial Centre); and (b) through persons or corporate entities authorised and licensed to provide investment advice and/or engage in brokerage activity and/or trade in respect of foreign securities in the State of Qatar (including the Qatar Financial Centre).

This Base Prospectus: (i) has not been, and will not be, filed, reviewed, registered with or approved by the Qatar Financial Markets Authority, the Qatar Central Bank, the Qatar Stock Exchange, or the Qatar Financial Centre Regulatory Authority and may not be publicly distributed in the State of Qatar (including the Qatar Financial Centre); (ii) is intended for the specific recipient only and must not be provided to any other person; and (iii) is not for general circulation in the State of Qatar (including the Qatar Financial Centre) and may not be reproduced or used for any other purpose.

General

Each Dealer has represented and agreed that it has (to the best of its knowledge and belief) complied and will comply in all material respects with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus, any Final Terms or any Pricing Supplement (as applicable) or any related offering material, in

all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms or any Pricing Supplement (as applicable) comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus, any Final Terms or any Pricing Supplement (as applicable) or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or in a supplement to this Base Prospectus.

GENERAL INFORMATION

Authorisation

The update of the Programme was authorised by resolutions of the Board of Directors of the Issuer passed on 15 October 2009. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Listing of the Notes

The admission of Notes (other than Exempt Notes) to the Official List will be expressed as a percentage of their principal amount (excluding accrued interest). It is expected that each Tranche of Notes (other than Exempt Notes) which is to be admitted to the Official List and to trading on the Main Market will be admitted separately as and when issued, subject only to the issue of a Global Note or Notes initially representing the Notes of such Tranche.

Application has been made to the FCA for Notes (other than Exempt Notes) issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the Main Market. The listing of the Programme in respect of such Notes is expected to be granted on or around 26 July 2023.

Exempt Notes may be issued pursuant to the Programme.

Legal and Arbitration Proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this Base Prospectus which may have, or have in such period had, a significant effect on the Issuer and/or the GIB Group's financial position or profitability.

Significant/Material Change

There has been no significant change in the financial performance or financial position of the Issuer or the GIB Group since 31 March 2023.

There has been no material adverse change in the prospects of the Issuer or the GIB Group since 31 December 2022.

Independent Auditors

The audited consolidated financial statements of the Issuer have been audited without qualification for the years ended 31 December 2021 and 31 December 2022 by Ernst & Young Middle East, who is authorised and regulated by the Central Bank of Bahrain and the Ministry of Industry and Commerce in Bahrain. The unaudited condensed interim consolidated financial statements of the Issuer for the three months ended 31 March 2023 have been reviewed by Ernst & Young Middle East.

With respect to the unaudited condensed interim consolidated financial statements for the three months ended 31 March 2023, Ernst & Young Middle East have reported that they have applied limited procedures in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Auditor of the Entity*". Their review report dated 10 May 2023, incorporated by reference herein, states that Ernst & Young Middle East did not audit and does not express any audit opinion on that interim financial information. Accordingly, the degree of reliance on their report on such interim information should be restricted in light of the limited nature of the review procedures applied.

Documents on Display

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection from <https://www.gib.com/en/gib-emtn>:

- (a) this Base Prospectus (and any supplements to this Base Prospectus);
- (b) the audited consolidated financial statements (including the auditors' report thereon and notes thereto) of the Issuer in respect of the year ended 31 December 2021;

- (c) the audited consolidated financial statements (including the auditors' report thereon and notes thereto) of the Issuer in respect of the year ended 31 December 2022;
- (d) the unaudited condensed interim consolidated financial statements (including the auditors' report thereon and notes thereto) of the Issuer in respect of the three months ended 31 March 2023;
- (e) the constitutional documents (with direct and accurate English translations thereof) of the Issuer;
- (f) the Agency Agreement;
- (g) the Deed of Covenant.

For the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus, information contained on the above-mentioned website does not form part of this Base Prospectus.

This Base Prospectus will also be available on the website of the Regulatory News Service operated by the London Stock Exchange at www.londonstockexchange.com/exchange/news/market-news/market-news-home.html

Material Contracts

The Issuer has not entered into contracts outside the ordinary course of business which could result in any obligations or entitlement that is material to the Issuer's ability to meet its obligation to Noteholders in respect of any Notes issued.

Clearing of the Notes

It is expected that Notes will be accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate Common Code, the International Securities Identification Number (ISIN), Financial Instrument Short Name (FISN) and Classification of Financial Instruments (CFI) code (as applicable) in relation to the Notes of each Tranche will be specified in the relevant Final Terms or the relevant Pricing Supplement (as the case may be).

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

Conditions for Determining Price and Yield

The issue price and the amount of the relevant Notes will be determined before filing of the relevant Final Terms or the relevant Pricing Supplement (as the case may be) of each Tranche, based on then prevailing market conditions.

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions. In the case of different Tranches of a Series of Notes, the issue price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche.

The yield of each Tranche of Notes will be calculated on an annual or semi-annual basis using the relevant issue price at the relevant issue date. It is not an indication of future yield.

Post-Issuance Information

The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

Legal Entity Identifier (LEI)

The Legal Entity Identifier (LEI) of the Issuer is 558600JW2XPMLG97TV14.

Issuer Website

The Issuer's website is <https://www.gib.com/>. Unless specifically incorporated by reference into this Base Prospectus, information contained on this website does not form part of this Base Prospectus.

Validity of this Base Prospectus

For the avoidance of doubt, the Issuer shall have no obligation to supplement this Base Prospectus after the end of its 12-month validity period.

Dealers Transacting with the GIB Group

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its Subsidiaries, in the ordinary course of business for which they have received, and for which they may in the future receive, fees. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

REGISTERED/HEAD OFFICE OF THE ISSUER

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ARRANGER

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Kingdom of Saudi Arabia

DEALERS

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