



## **Bunzl Finance plc**

*(incorporated with limited liability in England & Wales with registered no. 01231760)*

**£1,000,000,000**

## **Euro Medium Term Note Programme**

**unconditionally and irrevocably guaranteed by**

## **Bunzl plc**

*(incorporated with limited liability in England & Wales with registered no. 00358948)*

These Admission Particulars are prepared in connection with the £1,000,000,000 Euro Medium Term Programme (the “**Programme**”) established by Bunzl Finance plc (the “**Issuer**”), a wholly-owned finance subsidiary of Bunzl plc. Pursuant to the Programme, the Issuer may from time to time issue notes (the “**Notes**”) up to a maximum outstanding aggregate nominal amount of £1,000,000,000. Bunzl plc (the “**Guarantor**”) will unconditionally and irrevocably guarantee all payments of principal, interest and any other amounts payable on any Notes issued under the Programme. References herein to the “**Group**” are to the Guarantor and its subsidiaries (including the Issuer) taken as a whole.

Application has been made to the London Stock Exchange plc (the “**London Stock Exchange**”) for certain Notes issued under the Programme during the period of 12 months from the date of these Admission Particulars to be admitted to the London Stock Exchange’s International Securities Market (the “**ISM**”). The ISM is not a regulated market for the purposes of Directive 2014/65/EU on markets in financial instruments (as amended, “**MiFID II**”). These Admission Particulars do not constitute a base prospectus for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) or otherwise for the purposes of a listing or an admission to trading on any market in the European Economic Area (the “**EEA**”) or the United Kingdom which has been designated as a regulated market for the purposes of MiFID II.

**The ISM is a market designated for professional investors. Notes admitted to trading on the ISM are not admitted to the Official List of the Financial Conduct Authority (the “FCA”). Neither the London Stock Exchange nor the FCA has approved or verified the contents of these Admission Particulars.**

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes and the issue price of Notes and certain other information which is applicable to each Tranche (as defined under “*Overview of the Programme*” below) of Notes will be set forth in a pricing supplement (each, a “**Pricing Supplement**”) which, with respect to Notes to be admitted to trading on the ISM, will be delivered to the London Stock Exchange. Copies of Pricing

Supplements in relation to Notes to be admitted to trading on the ISM will also be published on the website of the London Stock Exchange through a regulatory information service or will be published in such other manner permitted by the International Securities Market Rulebook effective as of 25 February 2019 (as may be modified and/or supplemented and/or restated from time to time, the “**ISM Rulebook**”).

The Issuer has a long term debt rating of BBB+ by S&P Global Ratings Europe Limited (“**S&P**”), which is established in the European Union (“**EU**”) and is registered under Regulation (EC) No. 1060/2009 (as amended). In addition, the Programme has been assigned a rating of BBB+ by S&P. The rating of any Notes to be issued under the Programme may be specified in the applicable Pricing Supplement. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Notes may be issued in bearer form only (“**Bearer Notes**”) or in registered form only (“**Registered Notes**”). Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.

Subject to compliance with all relevant laws, regulations and directives, Notes will be issued under the Programme in denominations of at least €100,000 (or the equivalent in any other currency as may be specified in the Pricing Supplement).

Any Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a “**Temporary Global Note**”) or a permanent global note in bearer form (each a “**Permanent Global Note**”). If the Global Notes are stated in the applicable Pricing Supplement to be issued in new global note (“**NGN**”) form, the Global Notes will be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the “**Common Safekeeper**”) for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”). Notes in registered form will be represented by registered certificates (each a “**Certificate**”), one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Registered Notes issued in global form will be represented by registered global certificates (“**Global Certificates**”). If a Global Certificate is held under the New Safekeeping Structure (the “**NSS**”) the Global Certificate will be delivered on or prior to the original issue date of the relevant Tranche to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. Global notes which are not issued in NGN form (“**Classic Global Notes**” or “**CGNs**”) and Global Certificates which are not held under the NSS will be deposited on or prior to the issue date of the relevant Tranche with a common depository on behalf of Euroclear and Clearstream, Luxembourg (the “**Common Depository**”). For further information, see “*Summary of Provisions relating to the Notes while represented by the Global Notes*” in these Admission Particulars.

The Noteholders, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

The Notes and the Guarantee have not been and will not be registered under the U.S. Securities Act of 1933 (as amended, the “Securities Act”) or with any securities regulatory authority of any state or other jurisdiction of the United States and Notes in bearer form are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. For further information, see “*Subscription and Sale*” in these Admission Particulars.

An investment in Notes involves certain risks. Prospective investors should have regard to the factors described under the heading “*Risk Factors*” in these Admission Particulars.

*Arranger*

**NatWest Markets**

*Dealers*

<b>BNP PARIBAS</b>	<b>BofA Securities</b>
<b>Commerzbank</b>	<b>Crédit Agricole CIB</b>
<b>Danske Bank</b>	<b>ING</b>
<b>National Australia Bank Limited</b>	<b>NatWest Markets</b>
<b>Santander Corporate &amp; Investment Banking</b>	<b>SMBC Nikko</b>
<b>UniCredit Bank</b>	<b>Wells Fargo Securities</b>

The date of these Admission Particulars is 21 July 2020

## IMPORTANT NOTICES

These Admission Particulars comprise admission particulars in accordance with the ISM Rulebook.

The Issuer and the Guarantor accept responsibility for the information contained in these Admission Particulars. To the best of the knowledge of the Issuer and the Guarantor (each having taken all reasonable care to ensure that such is the case), the information contained in these Admission Particulars is in accordance with the facts and does not omit anything likely to affect the import of such information.

These Admission Particulars are to be read in conjunction with all of the documents which are incorporated herein by reference (see "*Documents Incorporated by Reference*"). These Admission Particulars should be read and construed on the basis that such documents are incorporated in, and form part of, these Admission Particulars.

Neither the Arranger, Dealers nor Citicorp Trustee Company Limited (the "**Trustee**") have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arranger, Dealers or the Trustee as to the accuracy or completeness of the information contained or incorporated in these Admission Particulars or any Pricing Supplement or any other information provided by the Issuer or the Guarantor in connection with the offering of the Notes. No Arranger, Dealer nor the Trustee accepts any liability in relation to the information contained or incorporated by reference in these Admission Particulars or any other information provided by the Issuer or the Guarantor in connection with the issue, offering or distribution of the Notes under the Programme.

No person is or has been authorised by the Issuer, the Guarantor, the Arranger, the Dealers or the Trustee to give any information or to make any representation not contained in or not consistent with these Admission Particulars or any other information supplied in connection with the offering of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor, the Arranger, any of the Dealers or the Trustee.

Neither these Admission Particulars, any Pricing Supplement nor any other information supplied in connection with the offering of the Notes issued under this Programme (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Guarantor, the Arranger, any of the Dealers or the Trustee that any recipient of these Admission Particulars, any Pricing Supplement or any other information supplied in connection with the offering of the Notes issued under the Programme should purchase any Notes. Each investor contemplating purchasing any Notes issued under the Programme should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Guarantor. Neither these Admission Particulars, any Pricing Supplement nor any other information supplied in connection with the offering of the Notes issued under the Programme constitutes an offer or invitation by or on behalf of the Issuer or the Guarantor, the Arranger, any of the Dealers or the Trustee to any person to subscribe for or to purchase any Notes.

The delivery of these Admission Particulars, any Pricing Supplement or the offering, sale or delivery of the Notes issued under the Programme shall not in any circumstances imply that the information contained herein concerning the Issuer and/or the Guarantor and/or the Group is correct at any time subsequent to the date hereof or that any other information supplied in connection with the offering of the Notes issued under the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Arranger, the Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer or the Guarantor during the life of the Programme or any Notes issued thereunder or to advise any investor in any Notes of any information coming to their attention at any time.

Neither these Admission Particulars or any Pricing Supplement constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction or to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of these Admission Particulars and any Pricing Supplement and the offer or sale of Notes may be restricted by law in certain jurisdictions. Persons into whose possession these Admission Particulars, any Pricing Supplement or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of these Admission Particulars and the offering and sale of Notes. In particular, there are restrictions on the distribution of these Admission Particulars and the offer or sale of Notes in the United States, the EEA and the United Kingdom. See “*Subscription and Sale*” below.

In these Admission Particulars and in relation to any Notes, references to the “relevant Dealers” are to whichever of the Dealers enters into an agreement for the issue of such Notes as described in “*Subscription and Sale*” below and references to the “relevant Pricing Supplement” are to the Pricing Supplement relating to such Notes.

The Notes may not be a suitable investment for all potential 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 may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in these Admission Particulars, any applicable supplement or any Pricing Supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact that the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes until the maturity of the Notes, including Notes where the currency for principal or interest payments is different from the potential investor’s currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant indices and financial markets; and

- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

**The Notes and the Guarantee have not been and will not be registered under the Securities Act and Notes in bearer form are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. For a further description of certain restrictions on the offering and sale of the Notes and on distribution of these Admission Particulars, see “*Subscription and Sale*” below.**

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

**A determination will be made in relation to each issue about whether, for the purpose of the MiFID 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.**

**IMPORTANT – EEA AND 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 EEA or 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 (11) of Article 4(1) of MiFID II; (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; and (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.**

**STABILISATION - IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES, THE DEALER OR DEALERS WHICH HAVE AGREED IS/ARE THE STABILISATION MANAGER (THE "STABILISATION MANAGER") (OR PERSONS ACTING ON BEHALF OF THE STABILISATION MANAGER) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION 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 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 NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISATION MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILISATION MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.**

All references in these Admission Particulars to "**Sterling**" and "**£**" refer to the currency of the United Kingdom and all references to "euro", "**EUR**" and "**€**" refer to the currency of the Member States of the European Union that have adopted or adopt the single currency in accordance with the Treaty establishing the European Union, as amended.

## Contents

IMPORTANT NOTICES	4
FORWARD-LOOKING STATEMENTS	9
PRESENTATION OF FINANCIAL INFORMATION	10
DOCUMENTS INCORPORATED BY REFERENCE	11
OVERVIEW OF THE PROGRAMME	12
RISK FACTORS	18
PRICING SUPPLEMENTS AND SUPPLEMENTARY ADMISSION PARTICULARS	37
USE OF PROCEEDS	38
DESCRIPTION OF THE BUSINESS AND INFORMATION ON THE GROUP	39
DESCRIPTION OF THE ISSUER AND THE GUARANTOR	46
TERMS AND CONDITIONS OF THE NOTES	48
SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE REPRESENTED BY THE GLOBAL NOTES OR GLOBAL CERTIFICATES	92
FORM OF PRICING SUPPLEMENT	101
UNITED KINGDOM TAXATION	111
SUBSCRIPTION AND SALE	113
GENERAL INFORMATION	117



**FORWARD-LOOKING STATEMENTS**

These Admission Particulars and the information incorporated by reference in these Admission Particulars include certain “forward-looking statements”. Statements that are not historical facts, including statements about the beliefs and expectations of the Issuer, the Guarantor and other members of the Group and their respective directors or management, are forward-looking statements. Words such as “believes”, “anticipates”, “estimates”, “expects”, “intends”, “plans”, “aims”, “potential”, “will”, “would”, “could”, “considered”, “likely”, “estimate” and variations of these words and similar future or conditional expressions, are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon future circumstances that may or may not occur, many of which are beyond the control of the Issuer, the Guarantor or the Group and all of which are based on their current beliefs and expectations about future events. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Issuer, the Guarantor or the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the present and future business strategies of the Issuer, the Guarantor and the Group and the environment in which the Issuer, the Guarantor and the Group will operate in the future. These forward-looking statements speak only as at the date of these Admission Particulars.

Except as required by applicable law, regulation or stock exchange requirement, each of the Issuer and the Guarantor expressly disclaims any obligations or undertakings to release publicly any updates or revisions to any forward-looking statements contained in these Admission Particulars or incorporated by reference into these Admission Particulars to reflect any change in the expectations of the Issuer or the Guarantor with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

## PRESENTATION OF FINANCIAL INFORMATION

The Group prepares its consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted for use in the European Union (“IFRS”) and, unless otherwise stated, all financial information relating to the Group, including financial information relating to the Issuer which forms part of the consolidated Group, is contained or incorporated by reference in these Admission Particulars has been prepared in accordance with IFRS.

All financial information relating to the Group, including financial information relating to the Issuer which forms part of the consolidated Group, is contained in these Admission Particulars, unless otherwise stated, has been extracted from:

- (i) the audited consolidated financial statements for the Group for the year ended 31 December 2018, which appear in the Guarantor’s 2018 Annual Report; and
- (ii) the audited consolidated financial statements for the Group for the year ended 31 December 2019, which appear in the Guarantor’s 2019 Annual Report,

sections of which are incorporated by reference into these Admission Particulars.

Percentages in tables may have been rounded and accordingly may not add up to 100.00 per cent. Certain financial data may have been rounded. As a result of any rounding, the totals of data presented in these Admission Particulars may vary slightly from the actual arithmetic totals of such data.

## DOCUMENTS INCORPORATED BY REFERENCE

These Admission Particulars should be read and construed in conjunction with:

- (i) the audited consolidated financial statements for the Group for the year ended 31 December 2018 together with the audit report thereon, which appear on pages 101 to 169 of the Guarantor's 2018 Annual Report for the year ended 31 December 2018 (the "**2018 Annual Report**");
- (ii) the audited consolidated financial statements for the Group for the year ended 31 December 2019 together with the audit report thereon, which appear on pages 117 to 192 of the Guarantor's 2019 Annual Report for the year ended 31 December 2019 (the "**2019 Annual Report**"); and
- (iii) future audited annual financial statements of the Group and future unaudited interim financial statements of the Group as and when such financial statements are published in accordance with the ISM Rulebook,

save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of these Admission Particulars to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of these Admission Particulars.

Except as set out above, no other portion of these documents is incorporated by reference into these Admission Particulars and those portions which are not specifically incorporated by reference in these Admission Particulars are either not relevant for prospective investors or the relevant information is included elsewhere in these Admission Particulars.

Copies of documents incorporated by reference in these Admission Particulars may be obtained (without charge) from the registered office of the Issuer during normal business hours and may also be obtained at <http://www.bunzl.com>, being the Guarantor's website and on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

The contents of the Guarantor's website or any website directly or indirectly linked to the Guarantor's website do not form part of these Admission Particulars and investors should not rely on them.

Any documents themselves incorporated by reference in the documents incorporated by reference in these Admission Particulars shall not form part of these Admission Particulars.

**OVERVIEW OF THE PROGRAMME**

The following section contains basic information about the Programme. It is not intended to be complete and is subject to important limitations and exceptions. It may therefore not contain all information that is important to prospective investors. For a more complete understanding of the Programme and any Notes issued therefrom, including certain definitions and terms used in this overview, prospective investors should refer to the section headed “*Terms and Conditions of the Notes*” and you should also carefully consider the information set out under the section titled “*Risk Factors*”.

<b>Issuer:</b>	Bunzl Finance plc, a wholly owned subsidiary of Bunzl plc
<b>LEI Number of Issuer:</b>	549300G276IH2GSE0E88
<b>Guarantor:</b>	Bunzl plc
<b>LEI Number of Guarantor:</b>	213800Q1Q9DV4L78UM09
<b>Description:</b>	Euro Medium Term Note Programme
<b>Size:</b>	Up to £1,000,000,000 (or the equivalent in other currencies at the date of issue) in aggregate nominal amount of Notes outstanding at any one time. The Issuer may increase the aggregate nominal amount of the Programme in accordance with the terms of the Dealer Agreement.
<b>Arranger:</b>	NatWest Markets Plc
<b>Dealers:</b>	Banco Santander, S.A. BNP Paribas Commerzbank Aktiengesellschaft Crédit Agricole Corporate and Investment Bank Danske Bank A/S ING Bank N.V. Merrill Lynch International National Australia Bank Limited NatWest Markets Plc SMBC Nikko Capital Markets Limited UniCredit Bank AG Wells Fargo Securities International Limited
<b>Trustee:</b>	Citicorp Trustee Company Limited
<b>Issuing and Paying Agent:</b>	Citibank, N.A., London Branch
<b>Registrar:</b>	Citigroup Global Markets Europe AG

<b>Issue Price:</b>	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount.
<b>Method of Issue</b>	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “ <b>Series</b> ”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), 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 “ <b>Tranche</b> ”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the Pricing Supplement.
<b>Form of Notes:</b>	<p>The Notes may be issued in bearer form (“<b>Bearer Notes</b>”) or in registered form (“<b>Registered Notes</b>”) only.</p> <p>Each Tranche of Bearer Notes will initially be represented by a temporary global note (the “<b>Temporary Global Note</b>”), without interest coupons, or a Permanent Global Note (as defined below), without interest coupon. Interests in a Temporary Global Note will be exchangeable for interests in a permanent global note (the “<b>Permanent Global Note</b>” and, together with the Temporary Global Note, the “<b>Global Notes</b>”) 40 days (or such other period as may be specified in the applicable Pricing Supplement) after the Temporary Global Note is issued, upon certification as to non-U.S. beneficial ownership. Interests in a Permanent Global Note will be exchangeable for definitive Notes only in certain limited circumstances — see “<i>Summary of Provisions relating to the Notes while represented by the Global Notes</i>”, which will be issued in.</p> <p>Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as “<b>Global Certificates</b>”.</p>
<b>Clearing Systems:</b>	Euroclear Bank SA/NV (“ <b>Euroclear</b> ”), Clearstream Banking S.A. (“ <b>Clearstream, Luxembourg</b> ”) and/or any other relevant clearing system, as agreed between the Issuer, the Issuing and Paying Agent and the relevant Dealer.

- Initial Delivery of Notes:** On or before the issue date for each Tranche, if the relevant Global Note is a NGN or the relevant Global Certificate is held under the NSS, the Global Note or Global Certificate will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. On or before the issue date for each Tranche, if the relevant Global Note is a CGN or the relevant Global Certificate is not held under the NSS, the Global Note representing Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Global Notes or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Issuing and Paying Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.
- Currencies:** Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers.
- Specified Denomination:** Subject to compliance with all relevant laws, regulations and directives, Notes will be issued in such denominations as may be specified in the applicable Pricing Supplement, save that no Notes may be issued under the Programme which have a denomination of less than €100,000 (or its equivalent in any other currency at the date of their issue).
- Maturities:** Subject to compliance with all relevant laws, regulations and directives, any maturity specified in the applicable Pricing Supplement.
- Fixed Rate Notes:** Each Fixed Rate Note bears interest at a fixed rate payable in arrear on the date or dates specified in the applicable Pricing Supplement.
- Floating Rate Notes:** Each Floating Rate Note bears interest at a rate determined separately for each Series as follows:
- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. or

- (ii) by reference to LIBOR or EURIBOR, as adjusted for any applicable margin.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest periods will be specified in the applicable Pricing Supplement.

**Zero Coupon Notes:** Zero Coupon Notes (as defined in “*Terms and Conditions of the Notes*”) may be issued at their nominal amount or at a discount to it and will not bear interest.

**Redemption:** The applicable Pricing Supplement will specify the basis for calculating the redemption amounts payable. Unless previously redeemed, purchased and cancelled, each Note shall be finally redeemed on the Maturity Date specified in the applicable Pricing Supplement.

**Optional Redemption:** The applicable Pricing Supplement will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders, and if so the terms applicable to such redemption.

**Early Redemption:** Except as provided in “*Optional Redemption*” above, Notes will be redeemable at the option of the Issuer prior to maturity for tax reasons only, as described in the “*Terms and Conditions of the Notes – Redemption, Purchase and Options*”.

**Events of Default:** Events of Default under the Notes include non-payment of interest for 14 days, or principal for seven days, breach of other obligations under the Notes or the Trust Deed (which breach is not remedied within 30 days), cross-acceleration relating to indebtedness for borrowed moneys of the Issuer, the Guarantor or any Material Subsidiary (as defined in Condition 10) subject to an aggregate threshold of £10,000,000 and certain events related to insolvency or winding up of the Issuer, the Guarantor or any Material Subsidiary, as described in “*Terms and Conditions of the Notes – Events of Default*”. Certain events require certification by the Trustee that, in the Trustee’s opinion, such events are materially prejudicial to the interests of Noteholders before they will fall to be Events of Default.

**Negative Pledge:** The terms of the Notes contain a negative pledge provision pursuant to which none of the Issuer nor the Guarantor, and procure that no Material Subsidiary (as defined in Condition 10) may create or have outstanding any Security Interest (as defined in Condition 4) upon the whole or any part of its or their

respective undertakings, assets or revenues (including any uncalled capital), present or future, to secure any Relevant Indebtedness (as defined in Condition 4) without securing the Notes equally and rateably therewith, subject to certain important exceptions, including in relation to certain Permitted Security Interests, as further described in “*Terms and Conditions of the Notes - Negative Pledge*”.

**Guarantee:**

The payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes and the Coupons has been unconditionally and irrevocably guaranteed by the Guarantor in the Trust Deed (the “**Guarantee**”). The obligations of the Guarantor under the Guarantee will be direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Guarantor and (subject as provided above) will rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors’ rights.

**Status of the Notes:**

The Notes will be direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and (subject as provided above) will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors’ rights.

**Withholding Tax and Additional Amounts:**

The Issuer or, as the case may be, the Guarantor will pay such additional amounts as may be necessary in order that the net amounts received by each Noteholder in respect of the Notes, after withholding for any taxes imposed by tax authorities in the United Kingdom upon payments made by or on behalf of the Issuer or the Guarantor in respect of the Notes, will equal the amount which would have been receivable in the absence of any such withholding taxes, subject to customary exceptions, as described in Condition 8 of the Terms and Conditions of the Notes.

**Admission to trading:**

Application has been made to the London Stock Exchange for Notes to be admitted during the period of 12 months from the date of approval of these Admission Particulars to trading on the ISM. The Notes admitted to trading on the ISM are not admitted to the Official List of the FCA.



- Governing Law:** The Notes and the Trust Deed will be governed by, and construed in accordance with, English law.
- Credit Rating:** The Programme has been rated BBB+ by S&P, which is established in the European Union and is registered under Regulation (EC) No. 1060/2009, as amended. Tranches of Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) (if any) assigned to the Issuer, the Guarantor, the Programme or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Pricing Supplement. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
- Selling Restrictions:** Notes issued under the Programme have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. The Notes may be sold in other jurisdictions (including the EEA and the United Kingdom) only in compliance with applicable laws and regulations. See “*Subscription and Sale*” below.
- Use of Proceeds:** The net proceeds of the issue of the Notes will be applied by the Issuer for general corporate purposes, which may include the repayment of existing financial indebtedness and acquisitions, or as may otherwise be disclosed, in respect of any issue of Notes, in the relevant Pricing Supplement.

## RISK FACTORS

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme and the Guarantor believes that the following factors may affect its ability to fulfil its obligations under the Guarantee. Most of these factors are contingencies which may or may not occur and neither the Issuer nor the Guarantor is in a position to express a view on the likelihood of any such contingency occurring. In addition, risk factors which are specific to the Notes are also described below.*

*Factors which the Issuer and the Guarantor believe may be material for the purpose of assessing the market risks associated with the Notes are also described below.*

*The Issuer and the Guarantor believe that the factors described below represent the principal risks inherent in investing in the Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes or of the Guarantor to make payments due under the Guarantee may occur for other reasons and neither the Issuer nor the Guarantor makes any representation that the statements below regarding the risks of holding any Notes are exhaustive. The realisation of one or more of these risks could individually or together with other circumstances affect the business, financial condition, results of operations and prospects of the Group and the occurrence of certain of the risk factors described below could increase the risk of other risk factors described below materialising and/or heighten the consequences arising from these risk factors. Prospective investors should also read the detailed information set out elsewhere in these Admission Particulars and reach their own views prior to making any investment decision.*

*Risks expressed as affecting the Group should, unless otherwise indicated, be taken to affect the Issuer and the Guarantor.*

### **RISKS RELATING TO THE ISSUER, THE GUARANTOR AND THE BUSINESS OF THE GROUP**

***Factors that may affect the Issuer's and the Guarantor's ability to fulfil their respective obligations under or in connection with the Notes***

**The effect of the COVID-19 pandemic may affect the Group's business and global economies more widely**

On 11 March 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. Governments in affected areas have imposed a number of measures designed to contain the outbreak, including business closures, travel restrictions, stay at home orders and prohibition of gatherings and events. This, in turn, has resulted in disruption of global supply chains, reduced trade, lower industrial production and lower consumption generally, even in areas not directly affected by the outbreak, which may negatively impact the Group's distribution business and its customers' businesses and the demand for products and distribution, and which in turn could materially adversely affect the Group's business and results of operations. Although the full impact of the COVID-19 outbreak is difficult to predict at the current time, the Group's strength and resilience lies in the diversity of its operations and supply chain, as well as the critical nature of the products it supplies to its customers.

The spread of COVID-19 has also resulted in a sharp economic downturn in countries in which the Group operates and global economies more widely, as well as causing increased volatility and declines in financial markets. If the pandemic is prolonged, or further diseases emerge that give rise to similar effects, the adverse impact on global economies could be deepened and further affect the financial markets, the mergers and acquisitions markets and ultimately the Group's business and its capacity to meet its financial obligations.

The extent to which the COVID-19 outbreak will impact the Group's operations and those of its customers will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the outbreak, the actions taken to contain the coronavirus or mitigate its impact, and the direct and indirect economic effects of the illness and containment measures, among others. Although the Group is currently expected to experience continued resilient trading in some sectors and product categories, it is expected to see reduced trading in those sectors most affected by the social distancing requirements and decrease of activity outside the home.

Long-term concerns relating to the COVID-19 outbreak could prevent the Group's on-site personnel from reporting for work at its facilities or in the distribution of products, which could adversely affect the Group's ability to adequately manage its business. Further, in order to prevent the spread of COVID-19, several cities, countries, states and national governments have imposed shut down of all non-essential business activities which include a limited number of the Group's facilities. Such restrictions could affect the progress of the Group's business and may result in cost increases due to shortage of labour and disruption in the supply chain. Any of these developments could have a material adverse effect on the Group's business and results of operations.

Given the rapid and evolving nature of the pandemic, it is uncertain how materially COVID-19 will affect the Group's operations generally if these impacts persist or worsen over an extended period of time. Any of these impacts, individually or collectively, could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

### **The Group operates in a highly competitive environment**

The specialist distribution and services market in which the Group operates is highly competitive in all product and service offerings and geographic areas of operation, with many participants, both national and international. Competition in the markets in which the Group operates is based principally on some or all of the following factors, depending on the product and market involved: price, quality, product specifications and design, location, overall product performance and service. The Group's competitors break down into four main groups: (i) businesses which are self-distributing; (ii) distribution companies whose main focus is on other market sectors or products; (iii) local, regional and national suppliers; and (iv) manufacturers that supply products directly to end users. Unforeseen changes in the competitive landscape, such as increased competition or an existing competitor or new market entrant introducing disruptive technologies or changes in routes to market, could lead to a reduction in the Group's sales and profitability and have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects. Customers (especially large or growing customers) could: exert pressure on the Group's selling prices thereby reducing its margins, switch to a competitor or ultimately choose to

deal directly with suppliers. Any of these competitive pressures could lead to a loss of market share and a reduction in the Group's revenue and profits.

**Product prices and raw material costs in the specialist distribution and services industry are subject to significant fluctuations**

The price that the Group is able to charge for the products it distributes is affected by overall changes in capacity and production and by demand for such products which is in turn influenced by general economic conditions, changes in customer spending and inventory levels maintained by the Group's customers. Changes in these factors have, in the past, resulted in fluctuations in the price of the products distributed by the Group and can be expected to have a similar effect in the future. Changes in price differ between products and geographic regions and the timing and magnitude of such changes have varied significantly over time and are unpredictable. There can be no assurance that the price the Group is able to charge for products will increase or even remain at present levels. Any deterioration in prices could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

In particular, a reduction in the cost of products bought by the Group due to suppliers passing on lower commodity prices (such as plastic or paper), lower trade tariffs and/or foreign currency fluctuations, particularly when coupled with any action from competitors to reduce their selling prices, may require the Group to pass on such cost reductions to customers, especially those on indexed or cost-plus pricing arrangements. In a deflationary environment, there is a risk that the Group's revenue and, as a result, its profits, could be reduced and the value of inventory held in stock may not be fully recoverable.

In addition, any increase in operating costs or cost increases by suppliers due to the pass through of higher commodity prices (such as plastic or paper), higher trade tariffs and/or foreign currency fluctuation, could adversely impact the Group's profits if it is unable to pass on such product cost increases to customers.

**The Group could be adversely affected by economic conditions in the markets in which it operates**

The Group is a specialist international distribution and services group, supplying a broad range of internationally sourced non-food products to a variety of market sectors across more than 30 countries. Consequently, the Group's business, financial condition, results of operations and/or prospects are affected by changes in global economic conditions. Uncertainties remain concerning the future economic environment, including concerns over slow or negative growth and political and economic structural weaknesses in some countries as well as current uncertainty relating to the impact of COVID-19 and Brexit (for more information see "*Risk factors - The effect of COVID-19 pandemic may affect the Group's business and the global economy more widely*" and "*Risk factors - Exposure to UK political developments, particularly relating to the uncertainty surrounding the UK's future relationship with the EU, could have a material adverse effect on the Group*").

**Exposure to UK political developments, particularly relating to the uncertainty surrounding the UK's future relationship with the EU, could have a material adverse effect on the Group**

On 31 January 2020, the UK left the EU (otherwise referred to as “**Brexit**”). Under the terms of the UK-EU article 50 withdrawal agreement (the “**Article 50 Withdrawal Agreement**”) there is now an implementation period in effect until 31 December 2020, during which time the UK will no longer be a member of the EU but will continue to be subject to EU rules and regulations and remain a member of the single EU market and customs union. The purpose of the implementation period is to enable the UK and the EU to negotiate a free-trade agreement for the post-implementation relationship. However, during the implementation period, there is a risk that the UK and the EU may not reach agreement on the future relationship between them (leading to a “no deal” Brexit), or may reach a significantly narrower agreement than that envisaged by the political declaration of the European Commission and the UK Government. The UK has simultaneously begun negotiations with other countries to replace the trade agreements it currently has during the transition period as a former member of the EU, as well as those countries which currently do not have comprehensive trade agreements with the EU such as the U.S. and Australia.

The outcome of the EU's negotiations on the UK's trade and access to the country's major trading markets, including the single EU market, is currently unknown.

The effects of “Brexit” will depend on the terms of the trade agreement that arises out of the negotiations which the UK Government concludes to retain access to EU markets. Although it is unknown what the terms of this agreement will be, it is possible that such an agreement will lead to greater restrictions on the free movement of goods, services, people and capital between the UK and the remaining EU countries, as well as increased regulatory complexities. A tariff or non-tariff barrier, customs checks, the inability to provide cross-border services, changes in withholding tax, restrictions on movements of employees, restrictions on the transfer of personal data, etc., all have the potential to materially impair the profitability of a business, require it to adapt, or even relocate. Any such restrictions could potentially disrupt the markets the Group serves and adversely impact the Group's operations in the jurisdictions in the EU in which it operates. In particular, any negative impact on trade between the UK and the EU may result in reduced distribution and sales between the UK and the EU. The effects of Brexit could also lead to legal uncertainty and potentially divergent national laws and regulations which may, directly or indirectly, impact the Group's customers, suppliers, and employees, as the UK determines which EU laws to adopt, replace, or amend, which may increase compliance costs, and the cost to the Group of carrying out business generally, in the UK and the EU.

If the UK and the EU are unable to agree the terms of a trade agreement by 31 December 2020 and do not agree to extend the transition period, a so called “hard Brexit”, it is probable that the adverse effects of leaving on unfavourable terms would principally affect the UK and the Group's UK businesses. In such circumstances, the UK will be completely separated from a regulatory perspective from the EU immediately upon the end of the transition period. The UK will become a third country vis-à-vis the EU on the expiry of the transition period. As a third country, the cross-border trade in goods between the UK and the EU will depend on any multilateral trade agreements to which both the EU and the UK are parties, such as those administered by the

World Trade Organization, and the provision of services by UK firms will be generally restricted to those that could be provided by firms established in any third country.

Given the size and global significance of the UK's economy, uncertainty about whether it will secure a trade agreement by the end of the transition period, and thus uncertainty as to the substance of its future legal, political and economic relationships with Europe may continue to be a source of instability, produce currency fluctuations or have other adverse effects on international markets, international trade and other cross-border cooperation arrangements.

The Issuer and the Guarantor are UK headquartered companies. However, more than 85 per cent. of the Group's revenue, profit and cash flow is generated outside the UK. Within the UK, less than 20 per cent. of the products purchased are direct imports from overseas, of which most are from countries outside of the EU. Accordingly, the Group's ability to service its customers' needs, whether they are inside or outside the EU, may not be materially affected by Brexit. However, as the definitive trading arrangements for Brexit have not yet been finalised, the final outcome remains unclear and it is not possible to fully evaluate the impact that Brexit will have on the Group's operations. In particular, it is likely that Brexit will affect the Group as a result of:

- foreign exchange volatility on the Group's translated results;
- the imposition of trade tariffs could result in an increase in product costs in the UK;
- supply chain disruption as UK ports are unable to cope with additional border checks leading to inventory shortages.

**Changes in customer preferences and the Group's failure to develop and/or source new products to meet changing customer demand could adversely affect demand for products distributed by the Group**

Changes in customer preferences affect the demand for non-food products distributed by the Group in general. The Group's ability to meet shifts in customer demand will depend upon its ability to anticipate correctly changes in customer preferences and its ability to develop and/or source new products on a competitive and cost-effective basis. There can be no assurances that the Group will be able to meet changes in customer preferences in the future, and the failure to do so could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

**Failure to make acquisitions in the future or to integrate successfully and subsequently manage acquired operations may adversely affect the Group's business**

A key component of the Group's historical growth strategy and one of the key sources of competitive advantage has been achieved through the acquisition of businesses and the Group's growth strategy includes additional acquisitions. Although the Group operates in a number of fragmented markets which provide future acquisition opportunities, there can be no assurance that the Group will be able to make acquisitions in the future. Insufficient acquisition opportunities, through a lack of availability of suitable companies to acquire or an unwillingness of business owners to sell their companies to the Group due to unrealistic valuation expectations, could adversely impact future profit growth. There is also a risk that not all of the acquisitions made will

be successful due to the loss of key people or customers after the acquisition, deterioration in the economic environment of the acquired business, inadequate pre-acquisition due diligence related to the target company and its market or economic decline shortly after an acquisition, could lead to the Group paying more for a company than its fair value.

In the longer term, if an acquisition consistently underperforms compared to its pre-acquisition expectations, there is a risk that this will lead to lower profits as well as a need to record an impairment charge against any associated intangible assets. Any difficulties or delays in achieving the successful integration of new acquisitions could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

**The Group is exposed to changes in regulation, consumer demand and market behaviour driven by increased focus on sustainability**

The Group sells a number of single-use-plastic based products, which have come under increasing focus as a result of environmental and sustainability concerns. Both the EU and the UK have implemented new legislative and regulatory frameworks which target the reduction or prohibition of certain plastic-based products, and certain other countries have either already implemented or are considering implementing new legislation that discourages the use of certain single-use plastic products. Any such change in legislation in countries where the Group operates may prevent or restrict the Group being able to sell its products.

In addition, there has been an increasing number of consumers making changes to their behaviour in response to environmental and sustainability concerns, often in advance of any change in legislation. Such changes in consumer preference could lead to a reduction in demand for the single-use-plastic based products that the Group sells, with a simultaneous increase in demand for sustainably sourced, recyclable or reusable alternatives. If the Group is unable to offer more sustainably sourced, recyclable, compostable, biodegradable or re-useable alternatives that replace products that cannot be sold due to legislative changes or reduced demand, this could lead to a reduction in the Group's revenue and profits which could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

**The Group is exposed to cyber security risk**

The Group's operations are dependent on the availability of its IT systems. The Group is exposed to the risk of hardware or software failure or the threat posed by cyber-attacks, which are increasingly frequent, sophisticated and wider in scope. The occurrence of one or more cyber-attacks may result in loss of data, financial fraud and the shutdown of the Group's IT systems. Weak cyber defences, through a failure to keep up with increasing cyber risk and insufficient IT disaster recovery planning and testing, could increase the likelihood and severity of a cyber-attack leading to business disruption, reputational damage and loss of customers and/or a fine under applicable data protection legislation which could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

**Failure to comply with its financial and debt covenants may have a material adverse effect on the Group's ability to meet financial obligations**

The Group requires continuous access to funding in order to meet its financial obligations, to support investment in organic growth, to make acquisitions when appropriate opportunities arise and to pay dividends to shareholders. There is a risk that the Group may be unable to obtain the necessary funds when required or that such funds will only be available on unfavourable terms.

The Group's borrowing facilities include a requirement to comply with certain specified covenants in relation to the level of net debt and interest cover. A breach of those covenants resulting from, among other things, a significant and rapid deterioration in the Group's business, foreign exchange fluctuations or a failure to manage working capital levels could result in a significant proportion of the Group's borrowings becoming repayable immediately which could, in turn, have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

**Exchange rate and/or interest rate fluctuations may have a material adverse effect on the Group's financial results**

As a result of the global nature of the Group's business, changes in foreign currency rates could have an adverse impact upon its business, financial condition and/or operating results. Currency fluctuations affect the Group because of mismatches between the currencies in which products are purchased and those in which products are sold, leading to transaction exposures. As a result, movements in exchange rates may adversely impact both operating margins and the value of the Group's net assets.

The Group's reported earnings will also be affected by fluctuations between sterling, which is its reporting currency, and the non-sterling currencies in which many of its various subsidiaries report their results of operations. The majority of the Group's revenues and profits are earned in currencies other than sterling and the Group does not hedge the impact of exchange rate movements arising on translation of earnings into sterling at average exchange rates. As a result, movements in exchange rates, in particular a significant strengthening of sterling against the US dollar and the euro, may have a material translation impact on the Group's reported results and/or lead to a breach of net debt to EBITDA banking covenants.

**Adverse economic and credit market conditions may have a material adverse effect on the Group's ability to raise future debt or equity**

The Group's ability to raise debt and/or equity financing in the medium and longer term will be significantly influenced by, among other things, general economic conditions, developments in the credit markets, volatility in the equity markets, investors' desire to maintain cash and to assume additional levels of risk and the Guarantor's credit rating. In particular, insufficient liquidity in financial markets could lead to banks and institutions being unwilling to lend to the Group. There can be no assurance that the Group will be able to raise debt and/or equity finance on attractive terms, or at all, and it may need to seek additional financing from alternative sources, which could be on unfavourable terms or at a higher cost than it currently pays. If this were to occur, it could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.



**Credit ratings**

The Programme has been rated BBB+ by S&P. While the Guarantor intends to seek to maintain an investment grade credit rating, there can be no assurances that the Guarantor will be able to do so. A decision by S&P or any other rating agency to downgrade or withdraw, or not to assign, the Guarantor's credit rating would reduce the Group's funding options, increase the Group's cost of borrowings and could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

**The Group is exposed to the risk of default by its customers and suppliers**

The Group has entered into a number of financial and other agreements with customers, suppliers and other counterparties. The Group is exposed to the risk of default by customers who have agreed to purchase products from the Group, suppliers who have agreed to supply goods or services to the Group and others with whom the Group has entered into financial and other arrangements. The Group's customers and suppliers may be adversely affected by economic conditions, disruptions to capital and credit markets and decreased demand for their products and services. The Group's exposure to default by counterparties may increase if economic conditions deteriorate. If any of the Group's key customers or suppliers, or a significant number of smaller customers and suppliers, are further adversely affected by these risks, the Group may face further reductions in demand for its products, failure of customers to pay invoices when due and disruptions in supply or distribution channels which could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

**The Issuer is a finance vehicle**

The Issuer's primary business is the raising of money for the purpose of on-lending to other members of the Group. Accordingly, substantially all of the Issuer's assets are loans and advances made to other members of the Group and the ability of the Issuer to satisfy its obligations in respect of the Notes will depend upon payments made to it by other members of the Group in respect of loans and advances made by the Issuer. Accordingly, the Issuer is subject to all of the risk factors that the Guarantor and the other members of the Group are subject to.

**Payments on the Notes are structurally subordinated to the liabilities and obligations of the Guarantor's subsidiaries**

The Guarantor is a holding company within the Group, with the Group's operations being conducted by operating subsidiaries of the Guarantor. Accordingly, creditors of a subsidiary would have to be paid in full before sums would be available to the shareholders of that subsidiary (i.e. the Guarantor or another subsidiary of the Guarantor) and so to Noteholders. The Terms and Conditions (the "**Conditions**") do not limit the amount of liabilities that subsidiaries of the Guarantor may incur. In addition, the Guarantor may not necessarily have access to the full amount of cash flows generated by their operating subsidiaries, due in particular to legal or tax constraints, contractual restrictions and the subsidiary's financial requirements.

**Significant interruption to the operations of any of the Group's major distribution facilities could have an adverse impact on the Group's financial results**

The Group's businesses operate from more than 500 locations globally, many of which are key distribution facilities which are used to store the products sourced by the Group for onward sale to its customers. Although the large number of such distribution facilities offer flexibility and versatility to the Group's business, if operations at a significant number of these key distribution facilities were interrupted for any significant length of time for any reason, including fires, drought, explosions, planned or unplanned maintenance, or work stoppages due to labour disputes, it could have a material adverse effect on the Group business, financial condition, results of operations and/or prospects.

**The Group may fail to detect fraudulent activities**

Certain of the Group's customers or suppliers or other third parties may seek to obtain products fraudulently from, or submit fraudulent invoices to, any member of the Group. The Group has sought to extend best practice with a number of processes and controls to minimise opportunities for fraud. If the Group is unsuccessful in detecting fraudulent activities, it could suffer loss directly and/or lose the confidence of its customers and/or suppliers, which could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

**The Group is subject to a wide range of laws and regulations**

The Group is subject to a wide range of laws and regulations in all the jurisdictions in which it operates, including international, national, state and local laws and regulations. These include laws and regulations relating to exports, import tariffs, repatriation of capital and exchange controls, taxation, anti-bribery, anti-trust, labour standards, the environment and occupational health and safety. These requirements are complex, frequently changing and have tended to become more stringent over time. For example, tax laws and tax rates around the world are constantly changing and the Group is exposed to the risk of changes in tax legislation and its interpretation and increases in the rate of corporate and other taxes in the jurisdictions in which the Group operates. The costs associated with compliance with these laws and regulations are unpredictable and possible future laws and regulations or changes to existing laws and regulations (including the imposition of higher taxes) could require the Group to incur additional expenses or capital expenditures, or, in the case of import tariffs, affect the competitiveness of products distributed by the Group in those markets. Any such cost increases or changes in tariffs could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

In addition, due to the nature of the products which the Group distributes, the Group faces potential claims from customers in relation to the supply of defective products or breaches of contractual arrangements. The sourcing of products from lower cost countries increases the risk of the Group being unable to recover any potential losses relating thereto from the relevant supplier. Any losses resulting from third party litigation could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

**The Group may not be able to attract or retain high quality management resources**

The Group's continued success is dependent on the experience, skills and knowledge of its executive directors, senior management and key employees who provide expertise crucial to the Group's business and the implementation of the Group's strategy. The failure of the Group to recruit and retain executive directors, senior management and key personnel may cause a significant disruption to the Group's business, including its ability to implement the Group's strategy, which could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

**The Group may be adversely affected by increasing costs in maintaining its required level of workforce**

The Group's workforce constitutes a significant proportion of its cost base. Any inflationary pressures, as well as changes in applicable laws and regulations or other factors resulting in increased labour costs, could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

**Failure to maintain good employee relations may affect the Group's operations and the success of its business**

Whilst the Group believes that relations with its employees are currently satisfactory, there can be no assurance that future developments in relation to the Group's businesses could not affect such relationships. A sustained labour dispute leading to a substantial interruption to one or other of the more significant businesses of the Group could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

**The Group's insurance coverage may be insufficient to cover losses or it could be subject to uninsured liabilities**

There are circumstances where insurance will not cover or be adequate to cover the consequences of an event, or where the Group may become liable for costs incurred in events or incidents against which it either cannot insure or may have elected not to have insured (whether on account of prohibitive premium costs or for other commercial reasons). Although the Group maintains insurance that it considers to be adequate, liabilities incurred might exceed policy limits. An uninsured loss could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

**Changes in the regulatory and/or accounting regimes for defined benefit pension liabilities could impose increased pension funding requirements and/or negatively impact the Group's distributable reserves**

The Group operates a number of pension schemes around the world (with material schemes in the United States of America ("USA") and the UK), some of which offer defined benefits. The Group's USA and UK defined benefit pension schemes are closed to new entrants. Steps have also been taken to reduce the investment risk in these schemes. However, should investment returns be insufficient to meet the schemes' liabilities the Group will have to fund any shortfall.

Changes to the financial reporting standards regarding the way defined benefit pension liabilities are reflected in company balance sheets could have an adverse impact on the Group's distributable reserves. Strengthening of the regulatory funding regime for pensions could increase requirements for cash funding of pensions. All or any of these factors could require the Group to make additional payments to meet the Group pension commitments, which could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

## RISKS RELATING TO THE NOTES

### FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH THE NOTES

#### Risks related to certain Notes that may be issued from the Programme

A 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 brief description of certain risks relating to such features:

*The value of and the amount payable under any Notes linked to a benchmark may be adversely affected by ongoing national and international regulatory reform in relation to benchmarks*

Interest rates and other indices which are deemed to be “benchmarks” (each a “**Benchmark**” and together, the “**Benchmarks**”) have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. Such Benchmarks include LIBOR, EURIBOR and other indices to which interest on Notes may be linked. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause the relevant benchmarks to perform differently than in the past, or have other consequences which cannot be predicted and which may have a material adverse effect on the value of and the amounts payable under the Notes where such amounts are linked to a Benchmark.

International proposals for reform of Benchmarks include the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the “**Benchmark Regulation**”) which was published in the Official Journal on 29 June 2016. In addition to the aforementioned regulation, there are numerous other proposals, initiatives and investigations which may impact Benchmarks.

Any changes to a Benchmark, whether as a result of the Benchmark Regulation or other initiatives, 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 participate in certain Benchmarks, triggering changes in the rules or methodologies used in certain Benchmarks or leading to the disappearance of certain Benchmarks. Changes to the methodology or other terms of certain Benchmarks could also have the effect of reducing or increasing the volatility of such Benchmarks. Any of the above changes or any other consequential changes as a result of the Benchmark Regulation or other national or international reform could have a material adverse effect on the value of and the amounts payable under Notes where such amounts are linked to a Benchmark.

In a speech on 27 July 2017, the UK Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of LIBOR after 2021 (the “**FCA Announcement**”). The FCA Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. The potential elimination of LIBOR or any other Benchmark, or changes in the manner of administration of any Benchmark may not represent the same economic reality as Benchmarks that have been used before. It could also

require an adjustment to the interest provisions of the Conditions, or result in other consequences, in respect of any Notes linked to such Benchmarks (including but not limited to Floating Rate Notes whose interest rates are linked to LIBOR which may, depending on the manner in which LIBOR is to be determined under the Conditions, result in the effective application of a fixed rate based on the rate which applied in the previous period when LIBOR was available). Any such consequence could have a material adverse effect on the value of and the amount payable on any such Notes.

#### *Fallback risks*

Where Screen Rate Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Notes is to be determined, the Conditions of the Notes provide that the Rate of Interest shall be determined by reference to the Relevant Screen Page (or its successor or replacement). In circumstances where such Original Reference Rate is discontinued, neither the Relevant Screen Page, nor any successor or replacement may be available.

Where the Relevant Screen Page is not available, and no successor or replacement for the Relevant Screen Page is available, the Conditions provide for the Rate of Interest to be determined by the Issuer and/or an agent appointed by the Issuer by reference to quotations from banks communicated to the Issuer and/or the agent appointed by the Issuer.

Where such quotations are not available (as may be the case if the relevant banks are not submitting rates for the determination of such Original Reference Rate), and subject as provided in the following paragraph in relation to Benchmark Events, the Rate of Interest may ultimately revert to the Rate of Interest applicable as at the last preceding Interest Determination Date before the Original Reference Rate was discontinued. Uncertainty as to the continuation of the Original Reference Rate, the availability of quotes from reference banks, and the rate that would be applicable if the Original Reference Rate is discontinued may adversely affect the value of, and return on, the Floating Rate Notes.

Benchmark Events (as referred to in the Conditions) include, amongst other events, permanent discontinuation of an Original Reference Rate. If a Benchmark Event occurs, the Issuer is required to use its reasonable endeavours to appoint and consult with an Independent Adviser. After consulting with the Issuer, the Independent Adviser is expected to determine a Successor Rate or Alternative Rate to be used in place of the Original Reference Rate. The use of any such Successor Rate, Alternative Rate and/or Adjustment Spread, together with any Adjustment Spread (as referred to below), to determine the Rate of Interest is likely to result in Notes initially linked to or referencing the Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form.

Furthermore, if a Successor Rate, Alternative Rate and/or Adjustment Spread for the Original Reference Rate is determined by the Independent Adviser, the Conditions provide that the Issuer may vary the Conditions, as necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread without any requirement for consent or approval of the Noteholders.

If a Successor Rate or Alternative Rate is determined by the Independent Adviser, the Conditions also provide that an Adjustment Spread may be determined by the Independent Adviser and applied to such Successor Rate or Alternative Rate.

The application of an Adjustment Spread may result in the Notes performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form.

The Issuer may be unable to appoint an Independent Adviser or the Independent Adviser may not be able to determine a Successor Rate or Alternative Rate in accordance with the Conditions.

Where the Issuer is unable to appoint an Independent Adviser in a timely manner, or the Independent Adviser is unable, to determine a Successor Rate or Alternative Rate before the next Interest Determination Date, the Rate of Interest for the next succeeding Interest Period will be the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, or, where the Benchmark Event occurs before the first Interest Determination Date, the Rate of Interest will be the initial Rate of Interest.

Where the Issuer has been unable to appoint an Independent Adviser or, the Independent Adviser has failed, to determine a Successor Rate or Alternative Rate in respect of any given Interest Period, it is required continue to attempt to appoint an Independent Adviser in a timely manner before the next succeeding Interest Determination Date and/or to determine a Successor Rate or Alternative Rate to apply the next succeeding and any subsequent Interest Periods, as necessary.

Applying the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event is likely to result in Notes linked to or referencing the relevant benchmark performing differently (which may include payment of a lower Rate of Interest) than they would do if the relevant benchmark were to continue to apply, or if a Successor Rate or Alternative Rate could be determined.

If the Issuer is unable to appoint an Independent Adviser or, the Independent Adviser fails to determine a Successor Rate or Alternative Rate for the life of the relevant Notes, the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, will continue to apply to maturity. This will result in the floating rate Notes, in effect, becoming fixed rate Notes.

Where ISDA Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Notes is to be determined, the Conditions provide that the Rate of Interest in respect of the Notes shall be determined by reference to the relevant Floating Rate Option in the 2006 ISDA Definitions. Where the Floating Rate Option specified is an "IBOR" Floating Rate Option, the Rate of Interest may be determined by reference to the relevant screen rate or the rate determined on the basis of quotations from certain banks.

If the relevant IBOR is permanently discontinued and the relevant screen rate or quotations from banks (as applicable) are not available, the operation of these provisions may lead to uncertainty as to the Rate of Interest that would be applicable, and may, adversely affect the value of, and return on, the floating rate Notes.

### *Zero Coupon Notes*

If the Interest Basis of a Note is specified as being Zero Coupon the Notes do not pay current interest but are issued at a discount from their nominal value. Instead of periodic interest payments, the difference between the redemption price and the issue price constitutes interest income until maturity. A holder of such Zero Coupon Notes is exposed to the risk that the price of such Notes falls as a result of changes in the market interest rate. Prices of Zero Coupon Notes are typically more volatile than prices of Fixed Rate Notes and are likely to respond to a greater degree to market interest rate changes than interest bearing notes with a similar maturity.

### *Issuer's call option*

Where Call Option is specified as being applicable, the Notes will contain an optional redemption feature, which is likely to limit their market value. During any period when the Issuer may elect to redeem such Notes, the market value of the Notes generally may not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Notes may also, subject as provided in "*Terms and Conditions of the Notes – Redemption, Purchase and Options – Redemption for Taxation Reasons*", be redeemed at their Early Redemption Amount (together with any interest accrued to the date fixed for redemption), at the option of the Issuer, if the Issuer or the Guarantor shall, as a result of any change in, or amendment to, the laws or regulations of the United Kingdom or any political subdivision or any authority therein or thereof having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, be obliged to pay additional amounts as provided or referred to in Condition 8 (Taxation) and such obligation cannot be avoided by the Issuer taking reasonable measures available to it, as more particularly described in "*Terms and Conditions of the Notes – Redemption, Purchase and Options – Redemption for Taxation Reasons*".

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

Where Clean-up Call Option is specified as being applicable (Condition 6(h) of the Conditions), there is no obligation on the Issuer to inform investors if and when 80 per cent. or more in nominal amount of the Notes then outstanding have been redeemed pursuant to the operation of Conditions 6(d) and/or 6(e) and/or 6(g), and the Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the clean-up call option, the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.



*Bearer Notes where denominations involve integral multiples*

In relation to any issue of Notes in bearer form which have denominations consisting of a minimum Specified Denominations plus one or more higher integral multiples of another smaller amount, it is possible that the Notes may be traded in amounts that are not integral multiples of such minimum Specified Denominations. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time 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 an amount equal to one or more Specified Denominations.

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.

*Temporary Global Notes and Permanent Global Notes or Global Certificates will be held by or on behalf of Euroclear and Clearstream, Luxembourg, and investors will have to rely on the procedures of those clearing systems for transfer, payment and communication with the Issuer and/or the Guarantor*

In relation to any issue of Notes, the Notes will be represented by one or more Global Note(s) or Global Certificate(s) which will be delivered to, in case of Notes in CGN form to a Common Depository and, in case of Notes in NGN form to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. Definitive Notes will only be issued in limited circumstances, as described in Section “*Summary of Provisions Relating to the Notes While Represented by the Global Notes or Global Certificates*”. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the relevant Global Note or Global Certificates. While the Notes are represented by one or more Global Notes or Global Certificate, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by one or more Global Notes or Global Certificates, the Issuer or the Guarantor, as the case may be, will discharge its payment obligations under the Notes by making payments to the common service provider for Euroclear and Clearstream, Luxembourg. A holder of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. Neither the Issuer nor the Guarantor has any responsibility or liability for the records held relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates.

Holders of beneficial interests in the Global Notes or Global Certificates 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 Euroclear or Clearstream, Luxembourg to appoint appropriate proxies.

**Risks related to the Notes generally**

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

*Claims of secured creditors will have priority, with respect to their security, over the claims of unsecured creditors, such as Noteholders*

Claims of the Issuer's secured creditors, if any, and the Guarantor's secured creditors, if any, will have priority, with respect to the assets securing such secured creditors' debt, over the claims of Noteholders. In the event that any of the Issuer's secured debt, if any, or the Guarantor's secured debt, if any, becomes due or the relevant creditor thereunder institutes proceedings over the assets that secure the relevant debt, the Issuer's assets or, as the case may be, the Guarantor's assets remaining after repayment of that secured debt might not be sufficient to repay all amounts owing in respect of the Issuer's and Guarantor's respective unsecured debt obligations (including the Notes).

#### *Modification, waivers and substitution*

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally and to obtain written resolutions on matters relating to the Notes from Noteholders without calling a resolution. 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, and Couponholders.

The Trust Deed also provides that the Trustee may, without the consent of Noteholders, agree, among other things, to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Conditions, the Trust Deed or the Agency Agreement that is, in the opinion of the Trustee, not materially prejudicial to the interests of the Noteholders (subject to certain exceptions set out in the Trust Deed), (ii) any modification to the Conditions, the Trust Deed or the Agency Agreement that is, in the opinion of the Trustee, of a formal minor or technical nature or is made to correct a manifest error, (iii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default shall not be treated as such, (iv) the substitution in place of the Issuer of the Guarantor or any Subsidiary of the Guarantor as principal debtor under the Trust Deed, the Notes and the Coupons or (v) the substitution in place of the Guarantor as guarantor in respect of the Notes of a new group holding company of the Group, in each case in the circumstances and subject to the conditions described in Conditions 11(b) (*Modification of the Trust Deed or the Agency Agreement*) and 11(c) (*Substitution*) and the provisions of the Trust Deed.

#### *Change of law*

The Conditions of the Notes are based on English law in effect as at the date of issue of the Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the Notes, and any such change could materially adversely impact the rights under, and the value of, the Notes.

The Issuer will be subject to applicable corporate disclosure standards for debt securities listed on the ISM of the London Stock Exchange pursuant to the ISM Rulebook, which standards may be different from those applicable to debt securities listed in certain other countries

The Issuer will be subject to reporting obligations in respect of the Notes admitted to trading on the ISM of the London Stock Exchange. The disclosure standards imposed by the London Stock

Exchange may be different from those imposed by securities exchanges in other countries or regions. As a result, the level of information that is available may not correspond to what investors in the Notes are accustomed to.

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

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

#### *The secondary market generally*

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. 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.

#### *Exchange rate risks and exchange controls*

The Issuer will pay principal and interest on the Notes and the Guarantor will make any payments under the Guarantee 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 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.

#### *Interest rate risks*

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes. A drop in the level of interest rates prevailing in the market will have a positive impact on the price of the Fixed Rate Notes, as the Notes pay a fixed annual rate of interest. Conversely, an increase in the interest rate level prevailing in the market will have an adverse impact on the price of the Fixed Rate Notes. For investors holding the Fixed Rate Notes until maturity, any changes in the interest rate level prevailing in the market during the term will not affect the yield of the Fixed Rate Notes, as the Fixed Rate Notes will be redeemed at par.

#### *Credit ratings may not reflect all risks*

The Notes may or may not be specifically rated at the time of their issue. If Notes have been specifically rated, this will be specified in the relevant Pricing Supplement. Any rating 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 assigning rating agency at any time.

## **PRICING SUPPLEMENTS AND SUPPLEMENTARY ADMISSION PARTICULARS**

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

Any information relating to the Notes which is not included in these Admission Particulars and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained in the relevant Pricing Supplement. Such information will be contained in the relevant Pricing Supplement, unless any of such information constitutes a significant new factor relating to the information contained in these Admission Particulars in which case such information, together with all of the other necessary information in relation to the relevant series of Notes, may be contained in a supplement to these Admission Particulars.

For each Tranche of Notes the Pricing Supplement will, for the purposes of that Tranche only, supplement, amend and/or replace these Admission Particulars and must be read in conjunction with these Admission Particulars. The terms applicable to any particular Tranche of Notes are the terms of these Admission Particulars as supplemented, amended and/or replaced to the extent described in the relevant Pricing Supplement. In the case of a Tranche of Notes which is the subject of a supplement to these Admission Particulars, each reference in these Admission Particulars to information being specified or identified in the relevant Pricing Supplement shall be read and construed as a reference to such information being specified or identified in the relevant supplement to the Admission Particulars unless the context requires otherwise.

Following the preparation of these Admission Particulars a supplement may be prepared by the Issuer and the Guarantor. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in these Admission Particulars. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of these Admission Particulars.

The Issuer and the Guarantor will, in the event of any significant new factor, material mistake or material inaccuracy relating to the information included in these Admission Particulars, prepare a supplement to these Admission Particulars or prepare new Admission Particulars for use in connection with any subsequent issue of Notes. Such supplement would be submitted to the ISM for review prior to publication in accordance with the ISM Rulebook.

## **USE OF PROCEEDS**

The net proceeds of any Notes issued under the Programme will be applied by the Issuer for general corporate purposes, which may include the repayment of existing financial indebtedness (which may include the repayment of existing financial indebtedness owed to some or all of the Dealers) and acquisitions, or as may otherwise be disclosed, in respect of any issue of Notes, in the relevant Pricing Supplement.

## DESCRIPTION OF THE BUSINESS AND INFORMATION ON THE GROUP

### History of the Group

The Guarantor was incorporated on 22 January 1940 and in June 2017 celebrated its 60th anniversary as a publicly traded company, having listed on the London Stock Exchange in 1957. Since then the Group has been transformed from a business involved in the manufacture of paper and paper based products to a diversified manufacturing and distribution group. More recently the Group has become one of the world's leading specialist B2B distribution and services businesses. Today the Group operates in six core market sectors across more than 30 countries around the world.

In April 2008, the Group re-joined the FTSE 100 index of leading shares, having left the index in 2005 following the demerger of Filtrona plc which at that time accounted for about 25 per cent. of the Group's profits.

The Group has in recent years focused its strategy to become a leading specialist international B2B distribution and services group. The Issuer and the Guarantor are based in London and the Group now has operations in over 30 countries across the world. In addition to growing organically, the Group has made over 160 acquisitions since 2004. The businesses acquired have not only helped the Group expand its product offering and existing customer base, but also enabled the Group to venture into new market sectors and geographies.

### The Business of the Group

The Group has operations across the Americas, Europe, Australasia and Asia and supports businesses all over the world with a variety of products that are key to customers for the successful operation of their businesses. The Group is able to provide an efficient and cost-effective one-stop-shop solution for its customers' non-food consumables requirements, with a range of delivery options (including own fleet) and customised service solutions for on-time, in-full delivery. Using the Group's global sourcing and procurement capabilities, international warehousing and distribution infrastructure and range of delivery options, the Group's customers are able to outsource the purchasing, consolidation and distribution of a broad range of everyday items, including an extensive range of environmentally friendly, sustainable products. As a result, they are able to focus on their core businesses, achieve purchasing efficiencies and savings, free up working capital, improve distribution capabilities, reduce carbon emissions and simplify their internal administration processes. By providing this consolidated offering, the Group seeks to simplify and improve the efficiency of its customers' own supply chains. This adds value for the Group's customers by reducing or eliminating hidden costs of in-house procurement and self-distribution, such as those related to inventory investment and cash flow, reduces carbon emissions and makes their businesses more sustainable.

As at 30 June 2020, the Guarantor had a market capitalisation of approximately £7.3 billion. The Group's workforce consists of more than 19,000 employees.

The Group is organised into four geographic business areas: (i) North America, (ii) Continental Europe, (iii) UK and Ireland and (iv) Rest of the World. Each business area includes independently operated and regionally directed businesses that provide a focused range of

services and products to their local customers. While some of these businesses operate under the Bunzl name, others conduct business under other trading names that are well recognised in the markets in which the Group operates. In North America, the Group distributes approximately 40 per cent. of its products under a two-step programme, in which the customer is a redistributor that ultimately delivers to end users, and approximately 60 per cent. is distributed under a one-step direct distribution model. In the Continental Europe, UK and Ireland and the Rest of the World markets, the Group generally utilises a one-step direct distribution model which delivers products directly to end users.

As referred to above, since 2005, the Group has focused exclusively on value-added distribution and service solutions, which historically has contributed strong cash flow and growth, through a combination of acquisitions and organic growth. In 2019, the Group's revenue increased by 1.0 per cent. at constant exchange rates (and 2.7 per cent. at actual exchange rates) to £9,326.7 million (2018: £9,079.4 million). Adjusted operating profit for 2019 was £653.3 million. On an IAS 17 basis, adjusted operating profit increased to £630.9 million (2018: £614.0) million), an increase of 1.5 per cent. at constant exchange rates (and 2.8 per cent. at actual exchange rates) compared to 2018. The Group has historically enjoyed a very high cash conversion (measured as a percentage of operating cash flow to lease adjusted operating profit), being 101 per cent. in 2019 and averaging 97 per cent. since 2004.

The Group provides products and services in six main broad market sectors: (i) foodservice; (ii) grocery; (iii) safety; (iv) cleaning and hygiene; (v) retail; and (vi) healthcare, further details of which are set out below.

### **Foodservice**

The Group supplies a broad range of non-food consumables to hotels, restaurants, contract caterers and the leisure sector as well as to food processors. Products include food packaging, disposable tableware, foodservice disposables, guest amenities, a wide range of light and heavy catering equipment, cleaning and hygiene products and safety items.

### **Grocery**

The Group distributes a variety of goods-not-for-resale (essential items the customer uses but does not actually sell) to grocery stores and supermarkets. Products include food packaging, films, labels, counter-service packaging, foodservice disposables, take-out food packaging, first aid products, point of purchase displays, stationery, bags and cleaning and hygiene supplies.

### **Safety**

The Group offers a broad range of personal protection and safety equipment to customers in industrial and construction markets. Products include ear, eye, respiratory and face protection, footwear, gloves, safety helmets, workwear, harness equipment, tools, safety signs, as well as traffic management and ancillary site equipment.

### **Cleaning & Hygiene**



The Group supplies cleaning and hygiene materials to facilities management companies, contract cleaners and other industrial and public sector customers. Products include cleaning systems, floorcare items, hand sanitisers, hygiene paper, janitorial products, cleaning machines, mops, polishes, protective clothing and washroom chemicals.

### **Retail**

The Group supplies a comprehensive range of goods-not-for-resale to department stores, boutiques, office supply companies, retail chains, home improvement chains and related e-commerce sales channels. Products include packaging and other store supplies including a wide range of counter service packaging, point of purchase display items, stationery and a full range of cleaning and hygiene products.

### **Healthcare**

The Group provides a variety of disposable healthcare consumables to the healthcare sector including hospitals, retirement and nursing homes and doctors' surgeries and clinics. Products include gloves, face masks, aprons, swabs, bandages, wound care products, gowns, headwear, mattress covers, overshoes, procedure packs, tapes, wipes and incontinence products.

A summary of operations in each geographic business area is set out below.

### **North America**

North America is the Group's largest and longest-established business area and is a leading supplier to a wide range of customers in the grocery, foodservice, retail, cleaning & hygiene and safety sectors located throughout the USA, Canada, Mexico and Puerto Rico. It operates from over 190 locations and has more than 6,900 employees. Customers include (i) retail customers (such as supermarkets, convenience stores and non-food retailers), (ii) food processors, (iii) distributors supplying the foodservice, industrial safety and janitorial/sanitary maintenance end user markets and (iv) institutional, airline and industrial markets. The North America business conducts its retail and food processor business primarily under the Buzl brand and its redistribution business under the R3 brand. In 2019, these businesses generated £5,473.2 million in revenue and £343.6 million of adjusted operating profit. This represented 59 per cent. of the Group's 2019 revenue and 51 per cent. of the Group's adjusted operating profit before corporate costs.

### **Continental Europe**

The Group's Continental Europe business area supplies customers in the retail, foodservice, cleaning & hygiene, safety, healthcare, retail and grocery market sectors. It operates from over 180 locations across 16 countries and has approximately 5,000 employees. In 2019, these businesses generated £1,829.8 million in revenue and £182.1 million of adjusted operating profit. This represented 20 per cent. of the Group's 2019 revenue and 27 per cent. of the Group's adjusted operating profit before corporate costs.

### **UK and Ireland**

In the UK and Ireland, the Group supplies customers in the foodservice, healthcare, cleaning & hygiene, safety, retail and grocery sectors. It operates from approximately 100 locations and has more than 3,800 employees. In 2019, these businesses generated £1,242.1 million in revenue and £87.1 million of adjusted operating profit. This represented 13 per cent. of the Group's revenue and 13 per cent. of the Group's adjusted operating profit before corporate costs.

### **Rest of the World**

The Rest of the World includes the businesses in Latin America, Australasia and Asia. The Latin American business is a supplier of a variety of products to the safety, healthcare, cleaning & hygiene and foodservice sectors across seven countries in the region. Bunzl Australasia is a leading supplier of a range of consumable products to businesses in Australia and New Zealand operating in the safety, healthcare, foodservice, cleaning & hygiene and grocery sectors. Finally, the Group's businesses in Singapore and China are principally engaged in the sale of products in the safety sector. Overall, the Group's businesses in the Rest of the World operate from approximately 115 locations across 11 countries and have more than 3,200 employees. In 2019, the Group's Rest of the World business generated £781.6 million in revenue and £61.6 million of adjusted operating profit. This represented 8 per cent. of the Group's revenue and 9 per cent. of the Group's adjusted operating profit before corporate costs.

### **Strategy**

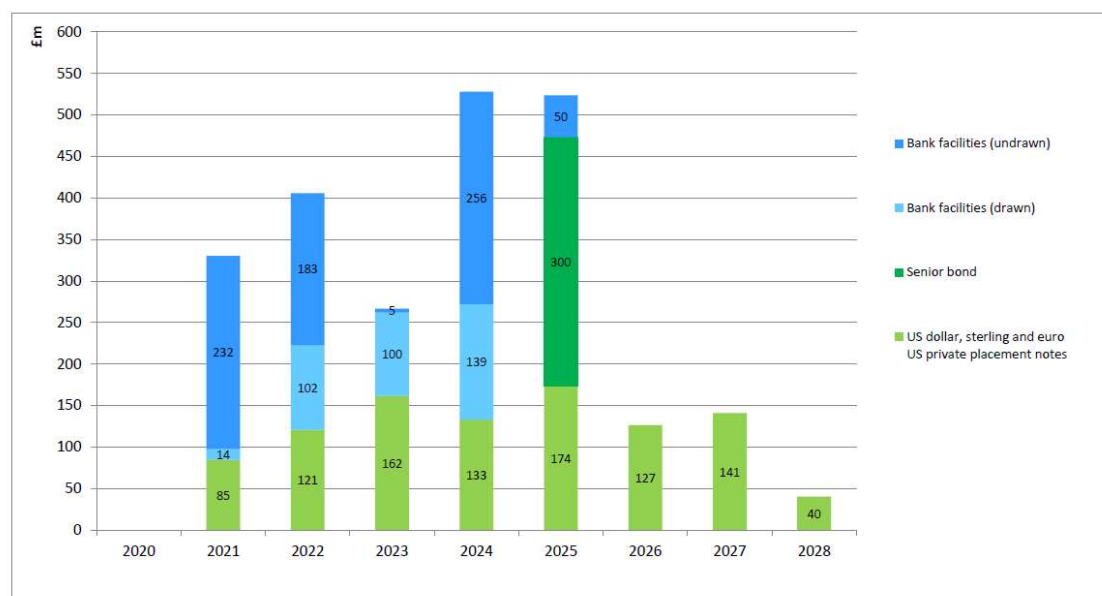
The Group's consistent strategy of developing the business through organic growth, consolidating the Group's markets through focused acquisitions and continuously improving the quality, efficiency and sustainability of its operations has delivered growth for the Group. The three key areas of focus are:

- organic growth: growing the Group organically, either by expanding and developing the Group's businesses with existing customers or by gaining new business with additional customers, is an integral part of the Group's strategy to enhance shareholder value;
- acquisition growth: expanding and developing the Group through acquiring businesses is also a key component of the Group's growth strategy. Historically, approximately three quarters of the Group's growth has been achieved through an ongoing programme of focused and targeted acquisitions in both new and existing market sectors and geographies. The Group seeks to be selective about acquisitions and the countries and sectors to which they relate and to have an appropriate and rigorous due diligence process. Potential acquisition targets are identified by business area management, the in-house corporate development team, ex-owners and external parties. The Group will often seek to retain management and customers in acquired businesses; and
- operating model improvements: the Group is continually looking to refine and develop its processes and procedures to improve operations and make the Group's businesses more efficient and sustainable. By doing so, the Group is able to gain a competitive advantage, by offering its customers more cost-effective solutions, while at the same time improving the Group's profitability.

The Group's continued success is based on its extensive knowledge and experience of the markets in which it operates and a deep understanding of its customers' requirements. The Group sees an opportunity for continued growth in both current and new markets and geographies by strengthening its existing, diversified businesses, consolidating its fragmented markets and continuing to expand by acquiring businesses.

### Debt maturity profile

The debt maturity profile of the Group as at 31 May 2020 is set out in the chart below.



### Recent developments

Expanding and developing the Group through acquiring businesses is a key component of the Group's growth strategy. Since 2004, the Group has acquired more than 160 businesses with a total committed spend in excess of £3.4 billion.

Excluding the purchase of Volk do Brasil which the Group agreed to acquire in December 2018 but completed in January 2019, the Group acquired three businesses during the year ended 31 December 2019 with a total committed spend of £124 million, thereby adding annualised revenue of £97 million:

- (a) Liberty Glove & Safety, acquired in February 2019 which is engaged in the sale of a full range of personal protection equipment, principally gloves, to distributors in the United States;
- (b) Coolpack, acquired in April 2019, which is a distributor based in the Netherlands principally engaged in the supply of specialist packaging to supermarkets and the pharmaceutical, food processor and foodservice sectors; and

- (c) FRSA, acquired in November 2019, which is a distributor of specialist safety and personal protection equipment focused on fire, rescue and emergency response services throughout Australia.

Since 31 December 2019, the Group has made the following acquisitions:

- (a) Joshen Paper & Packaging, acquired at the beginning of January 2020, a distributor of packaging and other goods-not-for-resale to customers in the grocery, foodservice and cleaning & hygiene sectors, operating in 11 states in the United States;
- (b) Medcorp, acquired at the end of January 2020, a distributor of a broad range of medical products. Customers include leading private hospitals, clinics and redistributors in Brazil; and
- (c) Bodyguard Workwear, acquired at the end of February 2020, engaged in the distribution of safety workwear and other personal protection equipment, principally to end-user customers operating in the rail sectors in the UK and Ireland.

In February 2020, the Group announced that it had entered into an agreement to purchase ICM, a leading distributor of personal protection equipment to both end users and redistributors, based in Denmark. Clearance for the transaction by the Danish competition authority was granted on 24 March 2020 and the parties have agreed to extend the option to complete until the end of August 2020.

### **Impact of COVID-19**

The Group is an essential part of the supply chain of many of its customers, providing a one-stop-shop with on-time in-full delivery of often critical operating consumables that allows its customers to keep running their businesses. The Group has been recognised by several national and local Governments as a key part of the supply chain, as evidenced by recent high-level contacts between the Group and Government authorities.

Although the breadth of the Group's geographic footprint and customer base provides resilience, trading is ultimately tied to economic activity. A reduction in consumption and activity outside the home will have an effect on the Group's trading, albeit to a differing degree depending on the sector and geography.

Many of the Group's customers in the grocery, healthcare, cleaning & hygiene, and safety sectors have seen resilient demand as COVID-19 related concerns have led to increased footfall in grocery stores, strong demand for healthcare consumables, as well as increased demand for cleaning products and personal protection equipment across many areas of the global economies. The Group's international purchasing power, including an added-value sourcing operation in Shanghai, which also provides quality assurance and quality control services, and resilient and reliable supply chain have been proven to be a competitive advantage as demand for products specifically relevant to COVID-19 such as disposable gloves, masks, eye protection, sanitizers and disinfectants has grown significantly. As stricter measures limiting activity outside the home have been implemented across the countries in which the Group operates, the foodservice and retail sectors in particular have been adversely affected. In some instances, there

have been mitigating factors such as conversion of dine-in to takeaway activity in food service establishments and the emergence of online ordering; however, a substantial impact has been felt and will continue as long as foodservice and retail outlet closures remain in place or return to operating at reduced capacities. Appropriate cost reduction measures are being implemented in those areas where trading is expected to remain below historical levels. The cleaning & hygiene and safety sectors are impacted by the closure of offices and temporary cessation of industrial and construction activity, albeit the impact has been mitigated by demand for the associated products in other less affected sectors of the economy.

Management is committed to protecting the safety and wellbeing of the Group's employees while continuing to provide on-time in-full delivery of critical operating supplies to its customers throughout the duration of the COVID-19 pandemic.

## DESCRIPTION OF THE ISSUER AND THE GUARANTOR

### History and structure of the Issuer

The Issuer is a wholly-owned subsidiary of the Guarantor. It was incorporated on 30 October 1975 in England and Wales as a private company limited by shares under the name “Bunzl Finance Limited” and under Registered Number 1231760, and re-registered as a public limited company on 27 July 1988. The Issuer’s registered office is at York House, 45 Seymour Street, London, W1H 7JT, United Kingdom. The Issuer is a finance vehicle and it principally participates in financial arrangements and transactions.

### Directors and officers of the Issuer

The following is a list of directors and officers of the Issuer, as at the date of these Admissions Particulars. The business address of each of the directors and officers referred to below is at York House, 45 Seymour Street, London, W1H 7JT, United Kingdom.

<b>Name</b>	<b>Title</b>
Richard Howes	Director
Paul Hussey	Director and Company Secretary
Timothy Hayter	Director
Damian Bradley	Director
Andrew Ball	Director

There are no potential conflicts of interest between the duties to the Issuer of the persons listed above and their private interests or other duties.

### History and structure of the Guarantor

The Guarantor, which is the ultimate parent company of the Group, was incorporated on 22 January 1940 in England and Wales as a private company limited by shares under the name “Tissue Papers Limited” and under Registered Number 358948. The Guarantor changed its name on 28 September 1951 to “Bunzl Pulp & Paper Limited” and then to “Bunzl plc” on 9 February 1982, following its re-registration as a public limited company. The Board of the Guarantor has a majority of independent non-executive directors. The registered address of the Guarantor is York House, 45 Seymour Street, London, W1H 7JT United Kingdom.

### Directors and officers of the Guarantor

The following is a list of directors and officers of the Guarantor and the principal activities (if any) performed by them outside the Group, which are, or may be, significant with respect to the Guarantor, as at the date of these Admissions Particulars. The business address of each of the

directors and officers referred to below is at York House, 45 Seymour Street, London, W1H 7JT, United Kingdom.

<b>Name</b>	<b>Title</b>	<b>Principal activities performed by them outside of the Group (if any)</b>
Peter Ventress	Chairman	Chairman of Galliford Try plc and Senior Independent Director of Signature Aviation plc
Frank van Zanten	Chief Executive Officer	Member of Supervisory Board of Koninklijke Ahold Delhaize NV
Richard Howes	Chief Financial Officer	None
Lloyd Pitchford	Non-executive director	Chief Financial Officer of Experian plc
Vanda Murray OBE	Senior Independent Director	Chair of Marshalls plc and a non-executive director of Redrow plc
Stephan Ronald Nanninga	Non-executive director	Member of Supervisory Board of CM.com and non-executive director of IMCD N.V.
Vinodka Murria OBE	Non-executive director	Non-executive director of Softcat plc and DWF Group plc

There are no potential conflicts of interest between the duties to the Guarantor of the persons listed above and their private interests or other duties.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the relevant Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are constituted by a Trust Deed (as amended or supplemented as at the date of issue of the Notes (the “**Issue Date**”), the “**Trust Deed**”) dated 21 July 2020 between the Issuer, the Guarantor and Citicorp Trustee Company Limited (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Coupons and Talons referred to below. An Agency Agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 21 July 2020 has been entered into in relation to the Notes between the Issuer, the Guarantor, the Trustee, Citibank, N.A., London Branch as initial issuing and paying agent and the other agents named in it. The issuing and paying agent, the other paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent), the “**Registrar**”, the “**Transfer Agents**” (which expression shall include the Registrar) and the “**Calculation Agent(s)**”. Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours at the principal office of the Trustee (presently at Citigroup Centre, Canada Square, London E14 5LB) and at the specified offices of the Paying Agents and the Transfer Agents.

The Noteholders, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

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

### 1. Form, Denomination and Title

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) shown in the relevant Pricing Supplement. This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, a combination of any of



the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

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

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

## 2. **No Exchange of Notes and Transfers of Registered Notes**

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued

to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or 2(c) shall be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days prior to any date on which Notes may be redeemed by the Issuer at its option pursuant to Conditions 6(d) or 6(h),

(ii) after any such Note has been called for redemption or (iii) during the period of seven days ending on (and including) the Maturity Date or any Record Date.

### 3. Guarantee and Status

- (a) **Guarantee:** The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes and the Coupons. Its obligations in that respect are contained in the Trust Deed.
- (b) **Status of Notes and Guarantee:** The Notes and the Coupons relating to them constitute (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Coupons relating to them and of the Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer and the Guarantor respectively, present and future.

### 4. Negative Pledge

So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), each of the Issuer and the Guarantor shall not, and shall procure that no Material Subsidiary (as defined in Condition 10) shall, create or have outstanding any mortgage, charge, pledge, lien or other encumbrance (other than any arising by operation of law) (each a “**Security Interest**”) upon the whole or any part of its or their respective undertakings, assets or revenues (including any uncalled capital), present or future, to secure any Relevant Indebtedness (as defined below) or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto ensuring that the Notes and the Coupons are secured by equal and rateable security as the Security Interest created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Noteholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders, save that the Issuer or the Guarantor may create or have outstanding (without the obligation so to secure the Notes) any Permitted Security Interest.

In these Conditions:

- (a) “**Permitted Security Interest**” means:
- (i) any Security Interest securing Relevant Indebtedness which exists on any undertaking or asset of the Issuer, the Guarantor or any Material Subsidiary which asset or undertaking is acquired after the date on which agreement is reached to issue the first Tranche of the Notes; provided that, such Security Interest existed at the date of such acquisition, was not granted in contemplation of the acquisition and the amount thereby secured has not been increased in contemplation of, or since the date of,

the acquisition and any Security Interest over the same undertaking or asset which is given for the purpose of, and to the extent of, the refinancing of any such Relevant Indebtedness;

- (ii) any Security Interest as shall have been previously approved in writing by the Trustee in its sole discretion (if the Trustee is of the opinion that to do so will not be materially prejudicial to the Noteholders) or by an Extraordinary Resolution of the Noteholders; or
  - (iii) any Security Interest granted by any member of the Group (as defined in Condition 10) pursuant to a Securitisation; provided that, the maximum aggregate amount of Receivables outstanding under any and all Securitisations shall not, at any time, exceed the Securitisation Programme Limit.
- (b) **“Receivable”** means the unpaid portion of the obligations of any trade debtor of any member of the Group in respect of the supply of goods and/or services by that member of the Group.
  - (c) **“Relevant Indebtedness”** means any indebtedness for moneys borrowed (as defined in Condition 10) which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be (with the agreement of the issuer thereof) or capable of being, quoted, listed or dealt in or traded on a stock exchange or over-the-counter or other recognised securities market other than indebtedness which has a stated maturity not exceeding one year.
  - (d) **“Securitisation”** means any transaction or series of related transactions providing for the securitisation of any Receivables.
  - (e) **“Securitisation Programme Limit”** means £200,000,000 (or its equivalent in other currencies).
  - (f) **“Subsidiary”** means any entity which is for the time being a subsidiary within the meaning of Section 1159 of the Companies Act 2006.

The Trustee shall not be under any duty to monitor whether any Security Interest has been created or is outstanding for the purposes of this Condition 4 and will not be responsible to Noteholders or Couponholders for any loss arising from any failure to do so. Unless and until the Trustee has received written notice pursuant to the Trust Deed of the creation or existence of any such Security Interest, it will be entitled to assume that none exists.

## 5. Interest and other Calculations

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date.

The amount of interest payable shall be determined in accordance with Condition 5(f).

(b) **Interest on Floating Rate Notes**

(i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(f). Such Interest Payment Dates are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Dates are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by

the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon
- (y) the Designated Maturity is a period specified hereon and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

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

(B) Screen Rate Determination for Floating Rate Notes

- (x) Subject to Condition 5(b)(iii)(D), where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

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

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

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other

than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

- (y) if the Relevant Screen Page is not available or if, subparagraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or, if subparagraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to

that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(C) Linear Interpolation

Where Linear Interpolation is specified hereon as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified hereon as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified hereon as applicable), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Issuer (acting in good faith and in consultation with an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer) shall determine such rate at such time and by reference to such sources as it determines appropriate.



**“Applicable Maturity”** means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

(D) Benchmark Discontinuation

**A. Independent Adviser**

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(b)(iii)(D)(B)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 5(b)(iii)(D)(D)). In making such determination, the Independent Adviser appointed pursuant to this Condition 5(b)(iii)(D) shall act in good faith and in a commercially reasonable manner as an expert. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Guarantor, the Trustee, the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 5(b)(iii)(D).

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5(b)(iii)(D)(A) prior to the date which is three business days prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Accrual Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that

last preceding Interest Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Accrual Period only and any subsequent Interest Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 5(b)(iii)(D)(A).

**B. Successor Rate or Alternative Rate**

If the Independent Adviser determines that:

- (i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(b)(iii)(D)); or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5(b)(iii)(D)).

**C. Adjustment Spread**

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

**D. Benchmark Amendments**

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 5(b)(iii)(D) and the Independent Adviser determines (i) that amendments to these Conditions, the Trust Deed and the Agency Agreement are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in

either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer and Guarantor shall, subject to giving notice thereof in accordance with Condition 5(b)(iii)(D)(E), without any requirement for the consent or approval of Noteholders or Couponholders, vary these Conditions and/or the Trust Deed and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two directors of the Issuer pursuant to Condition 5(b)(iii)(D)(E), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders or Couponholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

Notwithstanding any other provision of this Condition 5(b)(iii)(D), the Calculation Agent or any Paying Agent is not obliged to concur with the Issuer or the Independent Adviser in respect of any changes or amendments as contemplated under this Condition 5(b)(iii)(D) to which, in the sole opinion of the Calculation Agent or the relevant Paying Agent, as the case may be, would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Calculation Agent or the relevant Paying Agent (as applicable) in the Agency Agreement and/or these Conditions.

In connection with any such variation in accordance with this Condition 5(b)(iii)(D)(D), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

**E. Notices, etc.**

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 5(b)(iii)(D) will be notified promptly and in any event at least 10 business days prior to the relevant Interest Determination Date by the Issuer to the Trustee, the Calculation Agent and the Paying Agents. In accordance with Condition 16, notice shall be provided to the Noteholders promptly thereafter. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Noteholders of the same, the Issuer shall deliver to the Trustee, the Calculation Agent and the Paying Agents a certificate signed by two directors of the Issuer:

- (1) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 5(b)(iii)(D); and
- (2) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

Each of the Trustee, the Calculation Agent and the Paying Agents shall be entitled to rely on such certificate (without liability to any person and without further enquiry) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's or the Calculation Agent's or the Paying Agents' ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Noteholders.

Notwithstanding any other provision of this Condition 5(b)(iii)(D), if following the determination of any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments (if any), in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 5(b)(iii)(D), the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable (other than due to its own gross negligence, wilful default or fraud) to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and (in the absence of such gross negligence, wilful default or fraud) shall not incur any liability for not doing so.

**F. *Survival of Original Reference Rate***

Without prejudice to the obligations of the Issuer under Condition 5(b)(iii)(D)(A), Condition 5(b)(iii)(D)(B), Condition 5(b)(iii)(D)(C) and Condition 5(b)(iii)(D)(D), the Original Reference Rate and the fallback provisions provided for in Condition 5(b)(iii)(B) will continue to apply unless and until a Benchmark Event has occurred.

**G. *Definitions:***

As used in these Conditions:

**“Adjustment Spread”** means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);

- (ii) the Independent Adviser determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied);
- (iii) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

**“Alternative Rate”** means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5(b)(iii)(D)(B)) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

**“Benchmark Amendments”** has the meaning given to it in Condition 5(b)(iii)(D)(D).

**“Benchmark Event”** means:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or

- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or
- (v) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that, with effect from a date after 31 December 2021, the Original Reference Rate will be (or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (vi) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that, the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Trustee, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

**“Independent Adviser”** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 5(b)(iii)(D)(A).

**“Original Reference Rate”** means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

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

- (i) the central bank 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 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 or (d) the Financial Stability Board or any part thereof.

**“Successor Rate”** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

- (c) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).
- (d) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).
- (e) **Margin, Maximum/Minimum Rates of Interest, Redemption Amounts and Rounding:**



- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
  - (ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified hereon, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
  - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a five or greater, the seventh significant figure shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest amount of such currency that is available as legal tender in the country of such currency.
- (f) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (g) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Change of Control Redemption Amounts:** The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early

Redemption Amount, Optional Redemption Amount or Change of Control Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Change of Control Redemption Amount to be notified to the Trustee, the Issuer, the Guarantor, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed and/or admitted to trading on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

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

**“Business Day”** means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or
- (ii) in the case of euro, a day on which the TARGET System is operating (a **“TARGET Business Day”**) and/or
- (iii) in the case of a currency and/or one or more Business Centres specified hereon, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

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

- (i) if **“Actual/Actual”** or **“Actual/Actual - ISDA”** is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if **“Actual/365 (Fixed)”** is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if **“Actual/365 (Sterling)”** is specified hereon, 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
- (iv) if **“Actual/360”** is specified hereon, the actual number of days in the Calculation Period divided by 360
- (v) if **“30/360”**, **“360/360”** or **“Bond Basis”** is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

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

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

where:

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

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

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

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

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

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

- (vii) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

“**D<sub>1</sub>**” 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 D<sub>1</sub> will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the 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 D<sub>2</sub> will be 30

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

where:

**“Determination Period”** means the period from and including a Determination Date in any year to but excluding the next Determination Date and

**“Determination Date”** means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

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

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

**“Interest Amount”** means:

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

**“Interest Commencement Date”** means the Issue Date or such other date as may be specified hereon.

**“Interest Determination Date”** means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

**“Interest Period”** means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date unless otherwise specified hereon.

**“Interest Period Date”** means each Interest Payment Date unless otherwise specified hereon.

**“ISDA Definitions”** means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

**“Rate of Interest”** means the rate of interest payable from time to time in respect of the Note and that is either specified or calculated in accordance with the provisions hereon.

**“Reference Banks”** means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Issuer or as specified hereon.

**“Reference Rate”** means the rate specified as such hereon.

**“Relevant Screen Page”** means such page, section, caption, column or other part of a particular information service as may be specified hereon (or any successor or replacement page, section, caption, column or other part of a particular information service).

**“Specified Currency”** means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

**“TARGET System”** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

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

**6. Redemption, Purchase and Options****(a) Final Redemption:**

Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided hereon, is its nominal amount).

**(b) Early Redemption:***(i) Zero Coupon Notes:*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 6(c), Condition 6(d), Condition 6(e), Condition 6(f) or Condition 6(h), or upon it becoming due and payable as provided in Condition 10, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c), Condition 6(d), Condition 6(e), Condition 6(f) or Condition 6(h), or upon it becoming due and payable as provided in Condition 10, is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(d).



Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) **Other Notes:**

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c), Condition 6(d), Condition 6(e), Condition 6(f) or Condition 6(h), or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) **Redemption for Taxation Reasons:**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note) or at any time (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer or the Guarantor satisfies the Trustee immediately before the giving of such notice that it has or will become obliged to pay additional amounts as described under Condition 8 as a result of any change in, or amendment to, the laws or regulations of the United Kingdom 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, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the Notes (or the Guarantee, as the case may be) then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer or the Guarantor shall deliver to the Trustee (1) a certificate signed by two directors of the Issuer (or the Guarantor, as the case may be) stating that the relevant requirements or circumstances referred to above apply, and (2) an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or Guarantor, as the case may be) has or will become obliged to pay such additional amounts referred to in (i) above. The Trustee shall accept such certificate and opinion as sufficient evidence of the satisfaction of the relevant requirements or circumstances referred to above, and such certificate and opinion shall be conclusive and binding on Noteholders and Couponholders and the Trustee shall be entitled to rely on such certificate without liability to any person.

(d) **Redemption at the Option of the Issuer:**

- (i) If Call Option is specified as being applicable hereon, the Issuer may, unless a Change of Control Put Event Notice has been given pursuant to Condition 6(f), on giving not less than 10 or more than 20 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at the applicable Optional Redemption Amount together with interest accrued to but excluding the applicable Optional Redemption Date. Any such redemption or exercise must, if applicable, relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.
  
- (ii) If Make-whole Amount is specified hereon as the Optional Redemption Amount, the Optional Redemption Amount per Note shall be equal to the higher of the following, in each case together with interest accrued to but excluding the applicable Optional Redemption Date:
  - (A) the nominal amount of the Note; and
  
  - (B) the nominal amount of the Note multiplied by the price (as reported in writing to the Issuer and the Trustee by the Determination Agent) expressed as a percentage (rounded to four decimal places, 0.00005 being rounded upwards) at which the Gross Redemption Yield on the Notes on the Determination Date is equal to the Gross Redemption Yield at the Quotation Time specified hereon on the Determination Date specified hereon of the Reference Bond specified hereon (or, where the Determination Agent advises the Trustee and the Issuer that, for reasons of illiquidity or otherwise, such Reference Bond is not appropriate for such purpose, such other government stock as the Determination Agent may recommend) plus any applicable Redemption Margin specified hereon.

Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place as the Trustee may approve and in such manner as it may deem reasonable in the circumstances taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

In these Conditions:

**“Determination Agent”** means an investment bank or financial adviser appointed by the Issuer and approved by the Trustee for the purpose of determining any Make-Whole Amount.

**“Gross Redemption Yield”** means a yield calculated in accordance with generally accepted market practice at such time, as advised to the Trustee and Issuer by the Determination Agent.

(e) **Redemption at the Option of Noteholders:**

If Put Option is specified hereon as being applicable, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 30 nor more than 60 days’ notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date at its Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) above)), together with interest accrued to (but excluding) the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice (**“Exercise Notice”**) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) **Redemption at the Option of Noteholders upon a Change of Control:**

If Change of Control Put Option is specified hereon and if, at any time when any of the Notes remain outstanding, a Change of Control Put Event occurs, then the holder of each such Note will have the option (a **“Change of Control Put Option”**) (unless prior to the giving of the relevant Change of Control Put Event Notice the Issuer has given notice of redemption under Condition 6(c) or Condition 6(d) above) to require the Issuer to redeem or, at the Issuer’s option, purchase (or procure the purchase of) that Note on the date which is seven days after the expiration of the Put Period (as defined below) (or such other date as may be specified hereon, the **“Put Date”**) at the Change of Control Redemption Amount specified hereon together with (or, where purchased, together with an amount equal to) interest (if any) accrued to (but excluding) the Put Date.

A **“Change of Control Put Event”** will be deemed to occur if:

- (i) any person or any persons acting in concert (as defined in the City Code on Takeovers and Mergers), other than a holding company (as defined in

Section 1159 of the Companies Act 2006) whose shareholders are or are to be substantially similar to the pre-existing shareholders of the Guarantor, shall become interested (within the meaning of Part 22 of the Companies Act 2006 as amended) in (A) more than 50 per cent. of the issued or allotted ordinary share capital of the Guarantor or (B) shares in the capital of the Guarantor carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of the Guarantor (each such event being, a “**Change of Control**”); and

(ii) on the date (the “**Relevant Announcement Date**”) that is the earlier of (1) the date of the first public announcement of the relevant Change of Control and (2) the date of the earliest Relevant Potential Change of Control Announcement (if any), the Notes carry:

(A) an investment grade credit rating (Baa3/BBB-, or their respective equivalents, or better), from any Rating Agency at the invitation of the Issuer (or where there is no rating from any Rating Agency assigned at the invitation of the Issuer, the then investment grade credit rating (if any) from any Rating Agency of its own volition) and such rating is, within the Change of Control Period, either downgraded to a non-investment grade credit rating (Ba1/BB+, or their respective equivalents, or worse) (a “**Non-Investment Grade Rating**”) or withdrawn and is not, within the Change of Control Period, subsequently reinstated or (in the case of a downgrade) upgraded to an investment grade credit rating by such Rating Agency; or

(B) a Non-Investment Grade Rating from any Rating Agency at the invitation of the Issuer (or where there is no rating from any Rating Agency assigned at the invitation of the Issuer, the then investment grade credit rating (if any) from any Rating Agency of its own volition) and such rating is, within the Change of Control Period, either downgraded by one or more rating categories (for example, from BB+ to BB or such similar lowering) or withdrawn and is not, within the Change of Control Period, subsequently reinstated or (in the case of a downgrade) upgraded to its earlier credit rating or better by such Rating Agency; or

(C) no credit rating and a Negative Rating Event also occurs within the Change of Control Period,

*provided that*, if at the time of the occurrence of the Change of Control the Notes carry a credit rating from more than one Rating Agency, at least one of which is investment grade, then sub paragraph (A) will apply; and

(iii) in making any decision to downgrade or withdraw a credit rating pursuant to paragraphs (A) and (B) above or not to award a credit rating of at least investment grade as described in paragraph (ii) of the definition of

Negative Rating Event, the relevant Rating Agency announces publicly or confirms in writing to the Issuer or Guarantor that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control or the Relevant Potential Change of Control Announcement.

Promptly upon the Issuer or Guarantor becoming aware that a Change of Control Put Event has occurred the Issuer shall, and at any time upon the Trustee becoming similarly so aware the Trustee may, and if so requested by the holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall, (subject in each case to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction) give notice (a "**Change of Control Put Event Notice**") to the Noteholders in accordance with Condition 16 specifying the nature of the Change of Control Put Event and the procedure for exercising the Change of Control Put Option.

To exercise the Change of Control Put Option, the holder of the Note must (in the case of Bearer Notes) deposit such Note with any Paying Agent or (in the case of Registered Notes) deposit the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, in each case at any time during normal business hours of such Paying Agent, Registrar or Transfer Agent, as the case may be, falling within the period (the "**Put Period**") of 45 days after a Change of Control Put Event Notice is given or such other date as may be specified hereon, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent, Registrar or Transfer Agent, as the case may be (a "**Change of Control Put Notice**"). No Note or Certificate so deposited and option so exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

The Issuer shall redeem or purchase (or procure the purchase of) the relevant Notes on the Put Date unless previously redeemed (or purchased) and cancelled.

If 80 per cent. or more in nominal amount of the Notes then outstanding have been redeemed or purchased pursuant to this Condition 6(f), the Issuer may, on giving not less than 30 nor more than 60 days' notice to the Noteholders (such notice being given within 30 days after the Put Date), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at their Change of Control Redemption Amount, together with interest (if any) accrued to (but excluding) the date fixed for such redemption or purchase.

If the rating designations employed by any of Moody's, Fitch or S&P are changed from those which are described in paragraph (ii) of the definition of "**Change of Control Put Event**" above, or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine, with the agreement of the Trustee, the rating designations of Moody's, Fitch or S&P or such Substitute Rating Agency (as

appropriate) as are most equivalent to the prior rating designations of Moody's, Fitch or S&P and this Condition 6(f) shall be construed accordingly.

The Trustee is under no obligation to ascertain whether a Change of Control Put Event or Change of Control or Negative Rating Event or any event which could lead to the occurrence of or could constitute a Change of Control Put Event or Change of Control or Negative Rating Event has occurred, or to seek any confirmation from any Rating Agency pursuant to paragraph (iii) above or pursuant to the definition of Negative Rating Event below, and, until it shall have actual knowledge or notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control Put Event or Change of Control or other such event has occurred.

In this Condition 6(f):

**"Change of Control Period"** means the period commencing on the Relevant Announcement Date and ending 90 days after the Change of Control (or such longer period for which the Notes are under consideration (such consideration having been announced publicly within the period ending 90 days after the Change of Control) for rating review or, as the case may be, rating by a Rating Agency, such period not to exceed 60 days after the public announcement of such consideration).

a **"Negative Rating Event"** shall be deemed to have occurred if at such time as there is no rating assigned to the Notes by a Rating Agency (i) the Issuer does not, either prior to, or not later than 21 days after, the occurrence of the Change of Control seek, and thereafter throughout the Change of Control Period use all reasonable endeavours to obtain, a rating of the Notes, or any other unsecured and unsubordinated debt of the Issuer or (ii) if the Issuer does so seek and use such endeavours, it is unable to obtain such a rating of at least investment grade by the end of the Change of Control Period.

**"Rating Agency"** means Moody's Investors Service Limited ("**Moody's**"), Fitch Ratings Ltd. ("**Fitch**") or Standard & Poor's Credit Market Services Europe Limited ("**S&P**") or any of their respective affiliates or successors or any rating agency (a "**Substitute Rating Agency**") substituted for any of them by the Issuer or the Guarantor from time to time with the prior written approval of the Trustee (such approval not to be unreasonably withheld or delayed, having regard to the interests of Noteholders).

**"Relevant Potential Change of Control Announcement"** means any public announcement or statement by the Issuer or the Guarantor, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control where within 180 days following the date of such announcement or statement, a Change of Control occurs.

(g) **Purchases:**

Each of the Issuer, the Guarantor and their Subsidiaries may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

(h) **Clean-up Call Option:**

If Clean-up Call Option is specified hereon as being applicable, the Issuer may, if 80 per cent. or more in nominal amount of the Notes then outstanding have been redeemed or purchased pursuant to the operation of Condition 6(d) and/or 6(e) and/or 6(g), on giving not less than 30 nor more than 60 days' irrevocable notice to Noteholders (such notice being given within 30 days after the relevant redemption or purchase, as the case may be), redeem or purchase (or procure the purchase of) all but not some only of the remaining outstanding Notes at their Early Redemption Amount together with interest accrued to (but excluding) the date fixed for such redemption or purchase.

- (i) **Cancellation:** All Notes purchased by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantor in respect of any such Notes shall be discharged.

## 7. Payments and Talons

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all payments of principal and, in the case of interest, as specified in Condition 7(f)(v)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by transfer to an account denominated in the relevant currency with a Bank. "**Bank**" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.
- (b) **Registered Notes:**
- (i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.

- (ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.
  
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
  
- (d) **Payments subject to Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 8. For the purposes of the preceding sentence, the phrase “fiscal or other laws, regulations and directives” shall include any obligation of the Issuer or the Guarantor to withhold or deduct from a payment 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 thereunder or official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
  
- (e) **Appointment of Agents:** The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantor reserve the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar



in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed and/or admitted to trading in each case, as approved by the Trustee.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) **Unmatured Coupons and unexchanged Talons:**

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes, such Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Change of Control Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Note that provides that the relative unexpired Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons, and where any Bearer Note is presented for redemption without any unexpired Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of

interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).
- (h) **Non-Business Days:** If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “**Financial Centres**” hereon and:
  - (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or
  - (ii) (in the case of a payment in euro) which is a TARGET Business Day.

## 8. Taxation

All payments of principal and interest by or on behalf of the Issuer or the Guarantor in respect of the Notes and the Coupons or under the Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed, levied, collected, withheld or assessed by or within the United Kingdom or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as shall result in receipt by the Noteholders and Couponholders 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 with respect to any Note or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is liable to such Taxes in respect of such Note or Coupon by reason of his having some connection with the United Kingdom other than the mere holding of the Note or Coupon; or

- (b) **Lawful avoidance of withholding:** to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note (or the Certificate representing it) or Coupon is presented for payment; or
- (c) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day.

As used in these Conditions, “**Relevant Date**” in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Change of Control Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

## 9. Prescription

Claims against the Issuer and/or the Guarantor for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 10. Events of Default

If any of the following events (“**Events of Default**”) occurs and is continuing, the Trustee at its discretion may, and if so requested by holders of at least one-quarter in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction (but, in the case of the happening of any of the events mentioned in

paragraphs (b) and, in the case of a Material Subsidiary only, (c) and (e) below, only if the Trustee shall have certified in writing that such event is, in its opinion, materially prejudicial to the interests of the Noteholders) give notice to the Issuer and the Guarantor that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest:

- (a) **Non-Payment:** default is made for more than 14 days (in the case of interest) or seven days (in the case of principal) in the payment on the due date of interest or principal in respect of any of the Notes; or
- (b) **Breach of Other Obligations:** the Issuer or the Guarantor does not perform or comply with any one or more of its other obligations under the Notes or the Trust Deed (other than any obligation for the payment of any principal or interest in respect of the Notes) which default is, in the opinion of the Trustee, incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 30 days (or such longer period as the Trustee may permit) after notice of such default shall have been given by the Trustee to the Issuer and the Guarantor requiring the same to be remedied; or
- (c) **Winding-up:** an order is made or an effective resolution is passed for the winding-up of, or an administration order is made in relation to, the Issuer, the Guarantor or any Material Subsidiary (save (a) with the prior consent of the Trustee in its sole discretion or the prior sanction of an Extraordinary Resolution for the purposes of or in connection with an amalgamation, reorganisation or reconstruction or (b) (in the case of a Material Subsidiary) for a voluntary solvent winding-up where surplus assets are available for distribution and are distributed to another member of the Group); or
- (d) **Suspension of Payments:** the Issuer, the Guarantor or any Material Subsidiary stops, suspends or threatens to stop or suspend payment to its creditors generally; or
- (e) **Cessation of Business:** the Issuer, the Guarantor or any Material Subsidiary ceases or threatens through an official action of its board of directors, to carry on its business or substantially the whole of its business, except (A) for the purposes of or in connection with, a reconstruction, reorganisation or amalgamation (a) the terms of which have previously been approved in writing by the Trustee in its sole discretion or by an Extraordinary Resolution, (b) in the case of the Guarantor, whereby the undertaking and assets of the Guarantor are transferred to or otherwise vested in the Issuer or a Subsidiary of the Guarantor within the Group or another Holding Company of the Guarantor on terms that, where such transfer or vesting is to or in a Subsidiary within the Group or another Holding Company of the Guarantor, such Subsidiary of the Guarantor or the Holding Company of the Guarantor guarantees the obligations of the Issuer under the Trust Deed, the Notes and the Coupons on a basis equivalent to that referred to in Condition 3 and in the Trust Deed in accordance with the provisions of the Trust Deed or (c) in the case of the Issuer only, whereby the undertaking and assets of the Issuer are transferred to or otherwise vested in (x) the Guarantor or (y) a Subsidiary

within the Group on terms that such Subsidiary guarantees the obligations of the Issuer under the Trust Deed, the Notes and the Coupons on a basis equivalent to that referred to in Condition 3 and in the Trust Deed on a joint and several basis with the Guarantor in accordance with the provisions of the Trust Deed; or (B) in the case of a Material Subsidiary (a) whereby all or part of the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Guarantor or one or more of its Subsidiaries, and/or (b) for the purpose of a bona fide disposal on an arm's length basis of all or part of the business (including if by way of a disposal of shares in a Subsidiary of the Guarantor) of a Material Subsidiary, and/or (c) for a voluntary solvent winding-up where surplus assets are available for transfer and are transferred to another member of the Group; or

- (f) **Distress:** an encumbrancer takes possession or an administrative or other receiver or an administrator is appointed of the whole or any substantial part (in the case of the Issuer or the Guarantor) or substantially the whole (in the case of any Material Subsidiary) of the undertaking, property and assets of the Issuer, the Guarantor or any Material Subsidiary or if a distress or execution is levied or enforced upon or sued out against the whole or any substantial part (in the case of the Issuer or the Guarantor) or substantially the whole (in the case of any Material Subsidiary) of the chattels or property of the Issuer, the Guarantor or any Material Subsidiary and, in the case of any of the foregoing events, is not discharged within 60 days or such longer period as the Trustee may allow in its sole discretion; or
- (g) **Insolvency:** the Issuer, the Guarantor or any Material Subsidiary is unable to pay its debts within the meaning of Section 123(1)(e) or Section 123(2) of the Insolvency Act 1986; or
- (h) **Proceedings:** the Issuer or the Guarantor (or their respective directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for a composition with its creditors generally (or any class of its creditors) save where such judicial proceedings, composition, conveyance, assignment or other arrangement are initiated or made in connection with the putting in place of a New Holding Company; or
- (i) **Guarantee:** the Guarantee ceases to be in full force and effect; or
- (j) **Ownership:** the Issuer ceases to be a Wholly-owned Subsidiary (as defined below) of the Guarantor unless it becomes a Wholly-owned Subsidiary of the New Holding Company; or
- (k) **Cross Acceleration:** (A) any indebtedness for moneys borrowed (as defined below) of the Issuer, the Guarantor or any Material Subsidiary is not paid on its due date (or, in the case of indebtedness for moneys borrowed of the Issuer, the

Guarantor or any Material Subsidiary payable on demand, is not paid within five Business Days of such demand) (or, in any case, if later and if applicable, by the expiry of any originally applicable grace period) or is declared to be, or automatically becomes, due and payable prior to its stated maturity by reason of any event of default (howsoever described), or (B) any guarantee or indemnity in respect of indebtedness for moneys borrowed of any third party given by the Issuer, the Guarantor or any Material Subsidiary is not honoured when due and called upon; provided that, the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (k) has occurred equals or exceeds £10,000,000 (or its equivalent in any other currency or currencies) and, in any such case, neither the Issuer nor the Guarantor has delivered to the Trustee a certificate signed by two directors of the Issuer or (in respect of its own liability or the liability of any Material Subsidiary) the Guarantor stating that the liability of the Issuer, the Guarantor or any Material Subsidiary, as the case may be, to make payment is being contested in good faith in a competent court, and the Trustee shall be entitled to rely on such certificate without liability to any person.

For the purposes of these Conditions:

**“indebtedness for moneys borrowed”** means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other debt securities or any borrowed money.

a company is a **“Wholly-owned Subsidiary”** of another company if it has no members except that other and that other’s Wholly-owned Subsidiaries or persons acting on behalf of that other or its Wholly-owned Subsidiaries.

a **“Material Subsidiary”** means at any time a Subsidiary within the Group (other than the Issuer or the Guarantor):

- (i) whose gross revenues (as shown in its most recent annual audited accounts and consolidated in the case of a Subsidiary which ordinarily produces consolidated accounts) represent (or, in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated accounts of the Group relate, are equal to) not less than 10 per cent. of the consolidated gross revenues of the Group, as calculated by reference to the then latest audited consolidated accounts of the Group; provided that, in the case of a Subsidiary within the Group acquired after the end of the financial period to which the then latest audited consolidated accounts of the Group relate, the reference to the then latest audited consolidated accounts of the Group for the purposes of the calculation above shall, until consolidated accounts for the financial period in which the acquisition is made have been prepared and audited as aforesaid, be deemed to be a reference to such first-mentioned accounts as if such Subsidiary had been shown in such accounts by reference to its then latest relevant audited accounts, adjusted as deemed appropriate by the Guarantor; or

- (ii) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary within the Group which immediately prior to such transfer is a Material Subsidiary; provided that, the transferor Subsidiary shall upon such transfer forthwith cease to be a Material Subsidiary and the transferee Subsidiary shall be deemed to become a Material Subsidiary pursuant to this subparagraph (ii) on the date on which the consolidated accounts of the Group for the financial period current at the date of such transfer have been prepared and audited as aforesaid but so that such transferor Subsidiary or such transferee Subsidiary may be a Material Subsidiary on or at any time after the date on which such consolidated accounts have been prepared and audited as aforesaid by virtue of the provisions of subparagraph (i) above or, prior to or after such date, by virtue of any other applicable provision of this definition.

A report by two directors of the Issuer (whether or not addressed to the Trustee) that in their opinion a Subsidiary is or is not or was or was not at any particular time or throughout any specified period a Material Subsidiary may be relied on by the Trustee without liability to any person and without further enquiry or evidence and, if relied upon by the Trustee, shall be conclusive and binding on all parties.

“**Group**” means (i) the Guarantor and its Subsidiaries or (ii) if the Issuer ceases to be a Wholly-owned Subsidiary of the Guarantor and becomes a Wholly-owned Subsidiary of another Holding Company which guarantees the obligations of the Issuer under the Trust Deed, the Notes and the Coupons on a basis equivalent to that referred to in Condition 3 and in the Trust Deed (such a Holding Company, the “New Holding Company”), the New Holding Company and its Subsidiaries.

## 11. Meetings of Noteholders, Modification, Waiver and Substitution

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by the Trustee (subject to it having been indemnified and/or secured and/or prefunded to its satisfaction) or Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, inter alia, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown hereon, to reduce any such

Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount the Change of Control Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes or the Coupons, (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (viii) to modify or cancel the Guarantee, in which case the necessary quorum shall be two or more persons holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. 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.

The consent or approval of the Noteholders or the Couponholders shall not be required in the case of any Benchmark Amendments in the circumstances set out in Condition 5(b)(iii)(D).

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

- (b) **Modification of the Trust Deed:** The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.

In addition, the Trustee shall be obliged to concur with the Issuer in effecting any Benchmark Amendments in the circumstances set out in Condition 5(b)(iii)(D) without the consent of the Noteholders or Couponholders.

- (c) **Substitution:** The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders or the Couponholders, to the substitution of the Issuer's successor in business or any



Subsidiary of the Issuer or its successor in business or of the Guarantor or its successor in business or any Subsidiary of the Guarantor or its successor in business in place of the Issuer or Guarantor, or of any previous substituted company, as principal debtor or Guarantor under the Trust Deed and the Notes. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders or the Couponholders, to a change of the law governing the Notes, the Coupons, the Talons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

- (d) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer or the Guarantor (or any substitute Issuer or substitute Guarantor) any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

## 12. Enforcement

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer or the Guarantor as it may think fit to enforce the terms of the Trust Deed, the Notes and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one quarter in nominal amount of the Notes outstanding, and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder or Couponholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

## 13. Indemnification of the Trustee and Limitation on Trustee Actions

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and any entity related to the Issuer or the Guarantor without accounting for any profit. The Trustee may rely without liability to Noteholders or Couponholders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice without liability to any person and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Noteholders.

The Trustee may refrain from taking any action in any state or jurisdiction if the taking of such action in that jurisdiction would in its opinion be contrary to any law of that state or jurisdiction. Furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that state or jurisdiction or if in its opinion it would not have the power to do the relevant thing in that state or jurisdiction by virtue of any applicable law in that state or jurisdiction or if it is determined by any court or other competent authority in that state or jurisdiction that it does not have such power

#### **14. Replacement of Notes, Certificates, Coupons and Talons**

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

#### **15. Further Issues**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with an outstanding Series. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes.

#### **16. Notices**

Notices required to be given to the holders of Registered Notes pursuant to the Conditions shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices required to be given to the holders of Bearer Notes pursuant to the Conditions shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the Financial Times). So long as the Notes are listed and/or admitted to trading, notices required to be given to the holders of Notes pursuant to the Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed/and or admitted to trading. If in the opinion of the Trustee any such publication is not practicable, notice required to be given pursuant to

the Conditions shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

**17. Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

**18. Governing Law**

The Trust Deed, the Notes, the Coupons and the Talons 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.

## SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE REPRESENTED BY THE GLOBAL NOTES OR GLOBAL CERTIFICATES

### 1. Initial Issue of Notes

If the Global Notes or the Global Certificates are stated in the applicable Pricing Supplement to be issued in NGN form or to be held under the NSS (as the case may be), the Global Notes or the Global Certificates will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Depositing the Global Notes or the Global Certificates with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. Noteholders should note that, as at the date of these Admission Particulars, Notes admitted to trading on the ISM are not expected to be recognised as eligible collateral as the ISM is not on the list of “certain acceptable non-regulated markets” maintained by the European Central Bank.

Global Notes which are issued in CGN form and Global Certificates which are not held under the NSS may be delivered on or prior to the original issue date of the Tranche to a Common Depositary.

If the Global Note is a CGN, upon the initial deposit of a Global Note with a common depositary for Euroclear and Clearstream, Luxembourg (the “**Common Depositary**”) or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relative Global Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If the Global Note is a NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

### 2. Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other permitted clearing system (“**Alternative Clearing System**”) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear,

Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer or the Guarantor, as the case may be, to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer or the Guarantor in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer or the Guarantor will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

### **3. Exchange**

#### **(a) Temporary Global Notes**

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole, or (where TEFRA D is specified in the applicable Pricing Supplement) in whole or in part upon certification as to non-U.S. beneficial ownership for interests in a Permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

#### **(b) Permanent Global Notes**

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3(d) below, in part for Definitive Notes:

- (i) if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (ii) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Issuing and Paying Agent of its election for such exchange.

- (c) In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a nominal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase

a nominal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

(d) **Global Certificates**

If the Pricing Supplement states that the Notes are to be represented by a Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) if principal in respect of any Notes is not paid when due; or
- (iii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3(c)(i) or 3(c)(ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

(e) **Partial Exchange of Permanent Global Notes**

For so long as a Permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note will be exchangeable in part if principal in respect of any Notes is not paid when due.

(f) **Delivery of Notes**

If the Global Note is a CGN, on or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to

reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes or if the Global Note is a NGN, the Issuer will procure that details of such exchange be entered pro rata in the records of the relevant clearing system. In these Admissions Particulars, “**Definitive Notes**” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

(g) **Exchange Date**

“**Exchange Date**” means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Note, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

**4. Payments**

No payment will be made on any Temporary Global Note unless exchange for an interest in a Permanent Global Note is improperly withheld or refused. All payments in respect of Notes represented by a Global Note in CGN form will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. Payments of principal and interest in respect of Notes represented by a NGN will be made to its holder. If the Global Note is a NGN or if the Global Certificate is held under the NSS, the Issuer shall procure that details of each such payment shall be entered pro rata in the records of the relevant Clearing System and, in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant Clearing System and represented by the Global Note or the Global Certificate will be reduced accordingly. Each payment so made will discharge the Issuer’s obligations in respect thereof. Any failure to make the entries in the records of the relevant Clearing System shall not affect such discharge.

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business

on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means any day other than (i) Saturdays and Sundays and (ii) 25 December and 1 January.

So long as the Notes are represented by a Global Note or Global Certificate and the Global Note or Global Certificate is held on behalf of a Clearing System, the Issuer has undertaken, inter alia, to pay interest in respect of such Notes from the relevant Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes represented by the Global Note or Global Certificate.

**5. Notices**

So long as any Notes are represented by a Global Note or a Global Certificate, as the case may be, and such Global Note or Global Certificate is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Notes represented by such Global Note or Global Certificate. Such notices shall be deemed to have been given to the holders of Notes on the day of delivery to Euroclear and/or Clearstream, Luxembourg and/or any alternative clearing system.

**6. Prescription**

Claims against the Issuer and/or the Guarantor for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them (as defined in Condition 9).

**7. Meetings**

The holder of a Permanent Global Note or of the Notes represented by a Global Certificate shall (unless such Permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements or the right to demand a poll at a meeting of the Noteholders and, at any such meeting, as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder’s holding, whether or not represented by a Global Certificate.



**8. Purchase and Cancellation**

The Issuer, the Guarantor or any of their respective Subsidiaries may purchase Notes provided that all unmatured Coupons and all unexchanged Talons relating thereto are also purchased and surrendered therewith.

Any Notes purchased by the Issuer, the Guarantor or any of their respective Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith).

**9. Trustee's Powers**

In considering the interests of Noteholders while the Permanent Global Note is held on behalf of a relevant Clearing System the Trustee may have regard to any information provided to it by such relevant Clearing System or its operator as to the identity (either individually or by category) of its accountholders with entitlements to the Permanent Global Note and may consider such interests, and treat such accountholders, as if such accountholders were the holder of the Permanent Global Note.

**10. Issuer's Option**

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note shall be exercised by such Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) or any other Alternative Clearing System (as the case may be).

**11. Noteholders' Options**

Any option of the Noteholders provided for in the Conditions of any Notes may be exercised by:

- (i) while such Notes are represented by a Permanent Global Note, the holder of the Permanent Global Note giving notice to the Issuing and Paying Agent of the nominal amount of Notes in respect of which the option is exercised within the time limits specified in the Conditions and substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to

contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time; and

- (ii) where the permanent Global Note is a CGN, presenting the Permanent Global Note to the Issuing and Paying Agent for notation.

## 12. NGN nominal amount

Where the Global Note is a NGN, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant Clearing Systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

## 13. Written Resolution and Electronic Consent

Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Noteholders.

For so long as the Notes are in the form of a Global Note held on behalf of, or a Global Certificate registered in the name of any nominee for, one or more of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System, then, in respect of any resolution proposed by the Issuer, the Guarantor or the Trustee:

- (a) *Electronic Consent*: where the terms of the resolution proposed by the Issuer, the Guarantor or the Trustee (as the case may be) have been notified to the Noteholders through the relevant clearing system(s), as provided in subparagraphs (i) and/or (ii) below, each of the Issuer, the Guarantor and the Trustee shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Issuing and Paying Agent or another specified agent and/or the Trustee in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (the “**Required Proportion**”) (“**Electronic Consent**”) by close of business on the Relevant Date. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. None of the Issuer, the Guarantor or the Trustee shall be liable or responsible to anyone for such reliance;
  - (i) When a proposal for a resolution to be passed as an Electronic Consent has been made, at least 10 days’ notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Noteholders through the relevant clearing

systems(s). The notice shall specify in sufficient detail to enable Noteholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the “**Relevant Date**”) by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).

- (ii) If, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall, if the party proposing such resolution (the “**Proposer**”) so determines, be deemed to be defeated. Such determination shall be notified in writing to the other party or parties to the Trust Deed. Alternatively, the Proposer may give a further notice to Noteholders that the resolution will be proposed again on such date and for such period as shall be agreed with the Trustee (unless the Trustee is the Proposer). Such notice must inform the Noteholders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph (i) above. For the purpose of such further notice, references to “**Relevant Date**” shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by the Issuer or the Guarantor or the Trustee which is not then the subject of a meeting that has been validly convened in accordance with the Trust Deed, unless that meeting is or shall be cancelled or dissolved; and

- (b) *Written Resolution*: where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer, the Guarantor and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer, the Guarantor and/or the Trustee, as the case may be, (a) by accountholders in the clearing system with entitlements to such Global Note or Global Certificate and/or, (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer, the Guarantor and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the “**relevant clearing system**”) and in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of

electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer, the Guarantor nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

A Written Resolution and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Noteholders and holders of Coupons and Talons, whether or not they participated in such Written Resolution and/or Electronic Consent.

#### **14. Eurosystem Eligibility**

The Notes may be intended to be held in a manner which would allow eligibility for the central banking system for the euro ("**Eurosystem**"). This simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. Noteholders should note that, as at the date of these Admission Particulars, Notes admitted to trading on the ISM are not expected to be recognised as eligible collateral as the ISM is not on the list of "certain acceptable non-regulated markets" maintained by the European Central Bank.

## FORM OF PRICING SUPPLEMENT

**PROHIBITION OF SALES TO EEA AND 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 European Economic Area (“**EEA**”) or 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 (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (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 (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No. 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

**[MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES 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 MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. *[Details of any negative target market to be included if applicable]*. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

**Pricing Supplement dated [•]**

**BUNZL FINANCE PLC**

*(LEI Number: 549300G276IH2GSE0E88)*

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**

**Fully and Unconditionally Guaranteed by Bunzl plc**

**under the £1,000,000,000  
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 Conditions set forth in the Admission Particulars dated 21 July 2020 [and the supplement(s) to it dated [•]] ([together,] the “**Admission Particulars**”). This document constitutes the Pricing Supplement of the Notes and must be read in conjunction with the Admission Particulars in order to obtain all the relevant information. The Admission Particulars has been published on [date].

No prospectus is required in accordance with Prospectus Regulation for the issue of Notes described below. The Financial Conduct Authority has neither approved nor reviewed this Pricing Supplement.

***[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for***

***individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Pricing Supplement.]***

- |     |  |   |
|-----|--|---|
| 1.  | Issuer:  | Bunzl Finance plc   |
| 2.  | Guarantor:   | Bunzl plc   |
| 3.  | (i) Series Number:   | [•]   |
|     | (ii) Tranche Number:   | [•]   |
|     | (iii) Date on which the Notes will be consolidated and form a single Series: | [The Notes will be consolidated and form a single Series with [ ] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [24] below, [which is expected to occur on or about [ ]] / [Not Applicable]] |
| 4.  | Specified Currency:  | [•]   |
| 5.  | Aggregate Nominal Amount   |   |
|     | (i) Series   | [•]   |
|     | (ii) Tranche:  | [•]   |
| 6.  | Issue Price of Tranche:  | [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from (and including) [ ] to (but excluding) the Issue Date]  |
| 7.  | (i) Specified Denomination(s):   | [•]<br>[€100,000 and integral multiples of [€1,000] in excess thereof]<br>[[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].]                    |
|     | (ii) Calculation Amount:   | [•]   |
| 8.  | (i) Issue Date:  | [•]   |
|     | [(ii) Interest Commencement Date:  | [[•]/Issue Date/Not Applicable]   |
| 9.  | Maturity Date:   | [[•]/[The Interest Payment Date falling in or nearest to [•]]]  |
| 10. | Interest Basis:  | [[•] per cent. Fixed Rate]<br>[[•] month [LIBOR/EURIBOR/[•] per cent. Floating Rate]<br>[Zero Coupon]   |

11. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100] per cent. of their nominal amount.
12. Change of Interest Basis or Redemption/Payment Basis: [[•]/Not Applicable]
13. Call/Put Options: [Issuer Call]  
[Investor Put]  
[Change of Control Put]  
[Clean-up Call Option]  
[Not Applicable]
14. Date of [Board/Committee] approval for issuance of Notes [and Guarantee] obtained: [•] [and [•] respectively] [Not Applicable]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15. Fixed Rate Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate(s) of Interest: [•] per cent. per annum payable [annually/semi-annually/[•]] in arrear on each Interest Payment Date
- (ii) Interest Payment: [•] [and [•]] in each year [up to and including the Maturity Date]
- (iii) Fixed Coupon Amount(s): [•] [per Calculation Amount]
- (iv) Broken Amount(s): [[•] per Calculation Amount payable on the Interest Payment Date falling [in/on]/ [•]/Not Applicable]
- (v) Day Count Fraction: [Actual/Actual / Actual/Actual – ISDA]  
[Actual/365 (Fixed)]  
[Actual/365 (Sterling)]  
[Actual/360]  
[30/360 / 360/360 / Bond Basis]  
[30E/360 / Eurobond Basis / 30E/360 (ISDA)]  
[Actual/Actual-ICMA]
- (vi) Determination Date(s): [[•]in each year/Not Applicable]
16. Floating Rate Note Provisions: [Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Interest Period(s): [[•] [, subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment, as the Business Day Convention in (v) below is specified to be Not Applicable]]
- (ii) Specified Interest Payment Dates: [[•] [, subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment, as the Business Day Convention in (v) below is specified to be Not Applicable]]
- (iii) Interest Period Date: [[•] [, subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment, as the Business Day Convention in (v) below is specified to be Not Applicable]]
- (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][Not Applicable]
- (vi) Business Centre(s): [[•]/Not Applicable]
- (vii) Manner in which the Rates of Interest and Interest Amount is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (viii) Calculation Agent or other party responsible for calculating the Rates of Interest and Interest Amounts (if not the Issue and Paying Agent): [•]
- Screen Rate Determination:
- Reference Rate: Reference Rate: [[•] month [LIBOR/EURIBOR]
- Interest Determination Date(s): [•]
- (ix) - Relevant Screen Page: [•]
- ISDA Determination:: [•]
- Floating Rate Option [•]



- Designated Maturity: [●]
  - (x) - Reset Date: [●]
  - (xi) Linear Interpolation: [Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
  - (xii) Margin(s): [+/-] [●] per cent. per annum
  - (xiii) Minimum Rate of Interest: [●] per cent. per annum
  - (xiv) Maximum Rate of Interest: [●] per cent. per annum
  - (xv) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual (ICMA)]
17. Zero Coupon Notes Provisions: [Applicable/Not Applicable]
- (i) [Amortisation / Accrual] Yield: [●] per cent. per annum
  - (ii) Day Count Fraction in relation to Early Redemption Amounts: [30/360] [Actual/360] [Actual/365]

#### PROVISIONS RELATING TO REDEMPTION

18. Call Option: [Applicable/Not Applicable]
- (if not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
  - (ii) Optional Redemption Amount(s): [[●] per Calculation Amount] [Make-whole Amount]
  - [(A) Reference Bond: [●]
  - [(B) Quotation Time: [●]
  - [(C) Redemption Margin: [●] per cent.
  - [(D) Determination Date: [●]
  - (iii) If redeemable in part: [Applicable/Not Applicable]

- (a) Minimum Redemption Amount:
- (b) Maximum Redemption Amount:
- (iv) Notice Period(s): [Not less than [30] or more than [60] days']
19. Put Option: [Applicable/Not Applicable]
- (i) Optional Redemption Date(s):
- (ii) Optional Redemption Amount(s):  per Calculation Amount
- (iii) Notice Period:
20. Change of Control Put Option: [Applicable/Not Applicable]
- (i) [Change of Control Redemption Amount:  [per Calculation Amount]]
- (ii) [Put Period: 

(iii) [Put Date: 

21. Clean-up Call Option: [Applicable/Not Applicable]

Notice Period for Clean-up Call Option:

22. Final Redemption Amount:  per Calculation Amount

23. Early Redemption Amount(s) payable on redemption for taxation reasons (where applicable) or on event of default or other early redemption:  per Calculation Amount

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes:
- (i) Form: **[Bearer Notes:**  
[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 40 days' notice given at any time/only upon an Exchange Event/in the limited circumstances specified in the Permanent Global Note]]

[Temporary Global Note exchangeable for Definitive Notes [on and after the Exchange Date / on [ ] days' notice]]

[Permanent Global Note exchangeable for Definitive Notes [on 40 days' notice given at any time/only upon an Exchange Event/in the limited circumstances specified in the Permanent Global Note]]

[Registered Notes:

[Global Certificate registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]]]

(ii) New Global Note Form:

[Applicable/Not Applicable]

25. Financial Centre(s):

[●]/[Not Applicable]

26. Talons for future Coupons to be attached to Definitive Notes:

[Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

Signed on behalf of the Issuer:

By:  
*Duly Authorised*

**PART B – OTHER INFORMATION****1. ADMISSION TO TRADING**

- (i) Admission to trading Application has been made to the London Stock Exchange for the Notes to be admitted to trading on the ISM with effect from [●]. The Notes admitted to trading on the ISM are not admitted to the Official List of the FCA.
- (ii) Estimate of total £[●] expenses relating to admission to trading:

**2. RATINGS**

[Not Applicable]/[The Notes to be issued [have been/are expected to be] assigned the following ratings:]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally:]

[●] by S&P Global Ratings Europe Limited (“**Standard & Poor**”)

[●] by Moody’s Investors Service Ltd (“**Moody’s**”)

[●] by Fitch Ratings Limited (“**Fitch**”)]

[Standard & Poor/Moody’s/Fitch is/are established in the EU and UK and is/are registered under the CRA Regulation included in the list of credit rating agencies published by the ESMA]

**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.]

**4. USE OF PROCEEDS**

[●] / [As specified in the section headed “*Use of Proceeds*” in the Admission Particulars]

**5. Fixed Rate Notes - YIELD**

Indication of yield: [[●]/Not Applicable]

[The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

**6. OPERATIONAL INFORMATION**

(i) ISIN Code: [●]

(ii) Common Code [●]

- (iii) [FISN: [●]]
- (iv) [CFI Code: [●]]
- (v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, SA and the relevant identification number(s): [Not Applicable]/[\*]
- (vi) Delivery: Delivery [against/free of] payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): [●]
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)] *[include this text for registered notes]* and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]
- [No. Whilst the designation is specified as “no” at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)] *[include this text for registered notes]*. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

## 7. DISTRIBUTION

- (i) Method of Distribution: [Syndicated / Non-Syndicated]
- (ii) If syndicated:
- (A) Name of Managers: [Not Applicable/give name]
- (B) Stabilisation Manager(s) if any: [Not Applicable/give name]

- (iii) If non-syndicated, name of [Not Applicable/give name]  
Dealer:
  
- (iv) US Selling Restrictions: [Regulation S Compliance Category [1 / 2];  
TEFRA C / TEFRA D / TEFRA not applicable]

**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]

## UNITED KINGDOM TAXATION

*The comments below are of a general nature and are not intended to be exhaustive. They are based on current United Kingdom tax law as applied in England and Wales and HM Revenue & Customs practice (which may not be binding on HM Revenue & Customs). They describe only the United Kingdom withholding tax treatment of payments under the Notes. They do not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of the Notes. Any Noteholders who are in doubt as to their own tax position or who may be subject to tax in a jurisdiction other than the UK should consult their own professional advisers.*

### *Interest on the Notes*

Provided the Notes are and continue to be (i) listed on a recognised stock exchange within the meaning of Section 1005 of the Income Tax Act 2007 (the “ITA”) or (ii) admitted to trading on a “multilateral trading facility” operated by a UK or other EEA-regulated recognised stock exchange (within the meaning of section 987 of the ITA) or, on and following IP completion day (as defined in the European Union (Withdrawal Agreement) Act 2020), operated by a regulated recognised stock exchange (within the meaning of section 987 of the ITA, as amended from IP completion day by the Taxes (Amendments) (EU Exit) Regulations 2019), payments of interest by the Issuer on the Notes may be made without withholding or deduction for or on account of United Kingdom income tax. The ISM is a multilateral trading facility operated by an EEA-regulated recognised stock and, following IP completion day, will be a multilateral trading facility operated by a regulated recognised stock exchange for the purposes of section 987 of the ITA.

A further exclusion from the obligation to make a withholding on account of income tax applies where, at the time the payment is made, the Issuer reasonably believes either that the beneficial owner of the interest is a UK resident or non-UK company within the charge to United Kingdom corporation tax as regards the payment of interest or that the recipient falls within a list of specified entities and bodies, provided HM Revenue & Customs has not given a direction that this exemption shall not apply, having reasonable grounds for believing the conditions for this exclusion will not be met at the time the payment is made.

In all other cases interest will generally be paid by the Issuer under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) unless: (i) another relief or exemption applies; or (ii) the Issuer has received a direction to the contrary from HM Revenue & Customs in respect of such relief as may be available pursuant to the provisions of any applicable double taxation treaty.

Where Notes are issued at an issue price of less than 100 per cent. of their nominal amount, any payments in respect of the accrued discount element on any such Notes will not be subject to any withholding or deduction for or on account of income tax.

### *Payments in Respect of the Guarantee*

The United Kingdom withholding tax treatment of payments by the Guarantor under the terms of the Guarantee in respect of interest on the Notes (or other amounts due under the Notes other than the repayment of amounts subscribed for the Notes) is uncertain. In particular, such payments by the Guarantor may not be eligible for the exemption in section 987 of the ITA

described above in relation to payments of interest by the Issuer. Accordingly, if the Guarantor makes any such payments, these may be subject to United Kingdom withholding tax at the basic rate (currently 20 per cent.) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply.



## SUBSCRIPTION AND SALE

The Dealers have, in a dealer agreement dated 21 July 2020 and as may be amended, restated and/or supplemented from time to time (the “**Dealer Agreement**”), agreed with the Issuer and the Guarantor a basis upon which they or any of them may from time to time agree to purchase the Notes. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are underwritten by two or more Dealers.

The Issuer (failing which, the Guarantor) will pay each Dealer a commission as agreed between them in respect of Notes subscribed by them. The Issuer (failing which, the Guarantor) has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment of, and any continuing responsibilities in relation to the Programme.

The Issuer (failing which, the Guarantor) has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of Notes under the Dealer Agreement. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

### ***Dealers Transacting with the Issuer and the Guarantor***

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, the Guarantor and their affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in Notes, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer, the Guarantor and their 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, the Guarantor or their affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer or the Guarantor routinely hedge their credit exposure to the Issuer or the Guarantor (as the case may be) 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 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.

## **Selling Restrictions**

### ***United States***

The Notes and the Guarantee 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 in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this section have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form 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 United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and the regulations thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that except as permitted by the Dealer Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of the Notes or any identifiable Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of an offering of the Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

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

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by these Admission Particulars as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area or in the United Kingdom.

For the purposes of this provision, 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 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; or
- (c) not a qualified investor as defined in the Prospectus Regulation,

and the expression “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.

References in this section to Regulations or Directives include, in relation to the UK, those Regulations or Directives as they form part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 or have been implemented in UK domestic law, as appropriate.

### ***United Kingdom***

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year:
  - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
  - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) 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 does not apply to the Issuer or the Guarantor; and
- (c) 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.

### ***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 “**Financial Instruments and Exchange Act**”). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, 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 (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or

to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

**General**

These selling restrictions may be modified by the agreement of the Issuer and the relevant Dealer(s).

No representation is made that any action has been or will be taken in any country or any jurisdiction by any Dealer, the Issuer or the Guarantor that would permit a public offering of any of the Notes, or possession or distribution of these Admission Particulars or any other offering or publicity material or any Pricing Supplement relating to any of the Notes, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply, to the best of its knowledge and belief in all material respects, with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers any of the Notes or has in its possession or distributes these Admission Particulars or any such other material or any Pricing Supplement relating to any of the Notes, in all cases at its own expense.

## GENERAL INFORMATION

### 1. ADMISSION TO TRADING

It is expected that each Tranche of Notes which is to be admitted to trading on the ISM will be admitted separately as and when issued, subject only to the issue of one or more Global Notes initially representing the Notes of such Tranche. Application has been made to the London Stock Exchange for such Notes to be admitted to trading on the ISM. Notes admitted to trading on the ISM are not admitted to the Official List of the FCA.

### 2. AUTHORISATION

Each of the Issuer and the Guarantor has obtained all necessary consents, approvals and authorisations in connection with the establishment of the Programme. The establishment of the Programme has been authorised by resolution of the Board of Directors of the Issuer passed on 14 July 2020. The establishment of the Programme and the giving of the Guarantee in respect of any Notes to be issued under it has been authorised by resolutions of the Board of Directors of the Guarantor passed on 14 July 2020 and by resolutions of a committee of the Board of Directors of the Guarantor passed on 14 July 2020.

### 3. CLEARING SYSTEMS

The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The appropriate ISIN and Common Code in relation to any Notes issued from the Programme will be specified in the relevant Pricing Supplement. The relevant Pricing Supplement shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L 1855 Luxembourg.

### 4. NO SIGNIFICANT/MATERIAL ADVERSE CHANGE

There has been no material adverse change in the prospects of the Issuer, the Guarantor and/or the Group since 31 December 2019, being the date of the Group's last published consolidated audited financial statements.

There has been no significant change in the financial or trading position of the Issuer, the Guarantor and/or the Group since 31 December 2019, being the date of the Group's last published consolidated audited financial statements.

### 5. LEGAL AND ARBITRATION PROCEEDINGS

There are no, nor have there been any, governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Guarantor and/or the Issuer is aware) during the 12 months prior to the date of these Admission Particulars that may have, or

have had in the recent past significant effects on the Guarantor, the Issuer and/or the Group's financial position or profitability.

## **6. MATERIAL CONTRACTS**

There are no material contracts entered into, other than in the ordinary course of the Issuer's and/or the Guarantor's business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Noteholders in respect of the Notes being issued and/or the Guarantor's ability to meet its obligations under the Guarantee.

## **7. AUDITORS**

The auditor of the Issuer for each of the financial years ended 31 December 2018 and 31 December 2019 was PricewaterhouseCoopers LLP of One Embankment Place, London, WC2N 6RH, which is registered to carry out audit work by the Institute of Chartered Accountants of England and Wales.

The auditor of the Guarantor for each of the financial years ended 31 December 2018 and 31 December 2019 was PricewaterhouseCoopers LLP of One Embankment Place, London, WC2N 6RH, which is registered to carry out audit work by the Institute of Chartered Accountants of England and Wales.

## **8. US TAX**

The following legend will appear on all Bearer Notes and interest coupons and talons relating to such Notes where TEFRA D is specified in the applicable Pricing Supplement:

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

## **9. DOCUMENTS AVAILABLE FOR INSPECTION**

Physical copies of the documents set out below are, or will when published in accordance with the ISM Rulebook be, available for inspection during usual business hours on any weekday (public holidays excepted) for as long as the Notes are capable of being issued under the Programme at the registered office of the Guarantor at York House, 45 Seymour Street, London, W1H 7JT:

- (A) the Memorandum of Association and the Articles of Association of the Issuer;
- (B) the Memorandum of Association and the Articles of Association of the Guarantor;
- (C) a copy of these Admission Particulars, together with any supplement to these Admission Particulars or further Admission Particulars and any Pricing Supplement to these Admission Particulars and any other documents incorporated herein or therein by reference;

- (D) the Agency Agreement, the Trust Deed and the forms of Global Notes, the Notes in definitive form, the Coupons and Talons; and
- (E) the most recently published consolidated audited financial statements for the Group and (if any) the most recently published condensed interim financial statements (which may be unaudited) of the Group, in each case together with any audit or review reports prepared in connection therewith.

The Issuer intends to make available details of all issues of Notes under the Programme through a regulatory information service and, to the extent that any such Notes are to be admitted to trading on the ISM, the applicable Pricing Supplement will be published on the website of the London Stock Exchange through a regulatory information service or will be published in such other manner permitted the ISM Rulebook.

#### **10. ISSUE PRICE AND YIELD**

The issue price of any Notes or Tranche of Notes will be determined by the Issuer, Guarantor and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions and the issue price of the relevant Notes will be set out in the relevant Pricing Supplement. The yield of each Tranche of Notes bearing interest at a fixed rate as set out in the applicable Pricing Supplement will be calculated as of the relevant issue date on an annual or semi-annual basis using the relevant issue price. It is not an indication of future yield.

**REGISTERED OFFICE OF THE ISSUER AND THE GUARANTOR**

York House  
45 Seymour Street  
London W1H 7JT

**TRUSTEE**

**Citicorp Trustee Company Limited**  
Citigroup Centre  
Canada Square  
London E14 5LB

**PRINCIPAL PAYING AGENT**

**Citibank, N.A., London Branch**  
Citigroup Centre  
Canada Square  
London E14 5LB

**REGISTRAR**

**Citigroup Global Markets Europe AG**  
Reuterweg 16  
60323 Frankfurt am Main  
Germany

**LEGAL ADVISERS**

*To the Issuer and the Guarantor as to English law*

*To the Dealers and the Trustee as to English law*

**Slaughter and May**  
One Bunhill Row  
London EC1Y 8YY

**Linklaters LLP**  
One Silk Street  
London EC2Y 8HQ

**AUDITORS**

**PricewaterhouseCoopers LLP**  
One Embankment Place  
London WC2N 6RH

**ARRANGER**

**NatWest Markets Plc**  
250 Bishopsgate  
London EC2M 4AA

**DEALERS**

**Banco Santander, S.A.**  
Santander Global Banking & Markets  
Ciudad Grupo Santander  
Avenida de Cantabria  
Edificio Encinar  
28660, Boadilla del Monte  
Madrid

**BNP PARIBAS**  
16, Boulevard des Italiens  
75009 Paris,  
France



**Commerzbank Aktiengesellschaft**  
Kaiserstraße 16 (Kaiserplatz)  
60311 Frankfurt am Main

**Crédit Agricole Corporate and Investment  
Bank**  
12, Place des Etats-Unis  
CS 70052  
92547 Montrouge Cedex

**Danske Bank A/S**  
2-12 Holmens Kanal  
DK-1092 Copenhagen K

**ING Bank N.V.**  
Foppingadreef 7  
1102 BD Amsterdam

**Merrill Lynch International**  
2 King Edward Street  
London EC1A 1HQ

**National Australia Bank Limited (ABN 12  
004 044 937)**  
52 Lime Street  
London EC3M 7AF

**NatWest Markets Plc**  
250 Bishopsgate  
London EC2M 4AA

**SMBC Nikko Capital Markets Limited**  
One New Change  
London EC4M 9AF

**UniCredit Bank AG**  
Arabellastraße 12  
81925 Munich

**Wells Fargo Securities International  
Limited**  
33 King William Street  
London EC4R 9AT