



ASIAN INFRASTRUCTURE INVESTMENT BANK

Global Medium Term Note Programme

Under the global medium term note programme described herein (the "**Programme**"), Asian Infrastructure Investment Bank (the "**Issuer**", "**AIIB**" or the "**Bank**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue notes (the "**Notes**"). Notes will be sold through one or more Dealers (as defined under "*Subscription and Sale*" below) appointed by the Issuer or directly by the Issuer itself.

Application has been made for Notes issued under the Programme to be admitted to the official list (the "**Official List**") of the Luxembourg Stock Exchange (the "**Stock Exchange**") and to trading on the regulated market of the Stock Exchange. Unless the context otherwise requires, references in this base prospectus (this "**Base Prospectus**") to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to the Official List and admitted to trading on the Stock Exchange's regulated market. The Programme provides that Notes may be listed on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer(s) in relation to each issue. Unlisted Notes may also be issued pursuant to the Programme. The applicable Pricing Supplement (as defined below) in respect of the issue of any Notes will specify whether and on which exchange such Notes will be listed or whether such Notes will be unlisted.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other terms and conditions not contained herein as well as any information which is applicable to each Tranche (as defined below) of Notes will be set out in a pricing supplement (the "**Pricing Supplement**") which, with respect to Notes to be listed on the Stock Exchange, will be filed with the Stock Exchange. Copies of Pricing Supplements in relation to Notes to be listed on the Stock Exchange will also be published on the website of the Stock Exchange (www.bourse.lu).

Notes of any particular issue will be in bearer form ("**Bearer Notes**") or registered form ("**Registered Notes**"), as specified in the applicable Pricing Supplement. Notes will be issued in the denomination(s) specified in the applicable Pricing Supplement.

Each tranche (a "**Tranche**") of Bearer Notes will initially be in the form of either a temporary global note (the "**Temporary Global Note**") or a permanent global note (the "**Permanent Global Note**") in each case as specified in the relevant Pricing Supplement. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Bearer Global Note**") may be issued in new global note ("**NGN**") form if they are intended to be eligible collateral for Eurosystem monetary policy, or otherwise in classic global note ("**CGN**") form, as specified in the relevant Pricing Supplement. Each Bearer Global Note which is issued in CGN form will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and/or any other relevant clearing system and each Bearer Global Note which is issued in NGN form will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Each Tranche of Registered Notes will initially be represented by a registered global note ("**Registered Global Note**") and will either be: (a) in the case of a Registered Global Note which is not to be held under the new safekeeping structure ("**NSS**") with a view to being considered as eligible collateral for Eurosystem monetary policy, registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Registered Global Note will be deposited on or about the issue date with the common depositary and/or deposited with a custodian for and registered in the name of a nominee of The Depository Trust Company ("**DTC**"); or (b) in the case of a Registered Global Note to be held under the NSS with a view to being considered as eligible collateral for Eurosystem monetary policy, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Registered Global Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

The Notes have not been, and will not be, registered under the United States 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 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. Treasury regulations. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered except in certain transactions exempt from the registration requirements of the Securities Act. The Notes may be offered and sold (a) in bearer form or registered form outside the United States in reliance on Regulation S under the Securities Act ("**Regulation S**") and (b) in registered form, and, in certain transactions permitted by U.S. Treasury regulations, in bearer form within the United States to persons who are "qualified institutional buyers" ("**QIBs**") in reliance on Rule 144A under the Securities Act ("**Rule 144A**"). Prospective purchasers who are QIBs are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

The Programme has been rated, and the Notes are, on issue, expected to be rated Aaa by Moody's Investors Service Singapore Pte. Ltd. ("**Moody's**") and AAA by S&P Global Ratings Hong Kong Limited ("**S&P**"). Moody's and S&P are not established in the European Union and have not applied for registration under Regulation (EC) No. 1060/2009 (as amended, including by Regulation (EU) 462/2013) (the "**CRA Regulation**"). The ratings have been endorsed by Moody's Deutschland GmbH ("**Moody's Deutschland**") and S&P Global Ratings Europe Limited ("**S&P Europe**"), respectively, in accordance with the CRA Regulation. Each of Moody's Deutschland and S&P Europe is established in the European Union and is registered under the CRA Regulation. As such, each of Moody's Deutschland and S&P Europe is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.

A security 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.

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

Arrangers

BofA Securities	Barclays	Goldman Sachs International	HSBC
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Dealers

BofA Securities	Barclays	Goldman Sachs International	HSBC
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This date of this Base Prospectus is 18 December 2019

IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Pricing Supplement for each Tranche of Notes issued under the Programme and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus and the Pricing Supplement for each Tranche of Notes issued under the Programme is, to the best of its knowledge, in accordance with the facts and makes no omission likely to affect its import.

Each Tranche of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" (the "**Conditions**") as amended and/or supplemented by the relevant Pricing Supplement or in a separate prospectus specific to such Tranche (the "**Drawdown Prospectus**").

This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes which is the subject of a Pricing Supplement, must be read and construed together with the relevant Pricing Supplement. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus 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 Drawdown Prospectus unless the context requires otherwise.

The Issuer has confirmed to the Dealers that this Base Prospectus contains all information which is (in the context of the Programme and the issue, offering and sale of the Notes) material (including all such information as is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses of the Issuer and of the rights attaching to the Notes); and that any opinions, predictions or intentions expressed herein are honestly held or made.

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

None of the Dealers have separately verified the information contained in this Base Prospectus. To the fullest extent permitted by law, neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty, express or implied, or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus or for any other statement, made or purported to be made by a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. Each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Base Prospectus or any such statement. Neither the delivery of this Base Prospectus or any Pricing Supplement nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. None of the Dealers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers.

The distribution of this Base Prospectus and any Pricing Supplement and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Pricing Supplement comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of the Notes and on the distribution of this Base Prospectus or any Pricing Supplement and other offering material relating to the Notes, see "*Subscription and Sale*". In particular, the Notes have not been and will not be registered under the Securities Act and Bearer Notes are subject to United States tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or, in the case of Bearer Notes, delivered within the United States.

Neither this Base Prospectus nor any Pricing Supplement constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered a recommendation by the Issuer, the Dealers or any of them that any recipient of this Base Prospectus or any Pricing Supplement should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Pricing Supplement shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

In this Base Prospectus, unless otherwise specified, references to "EUR" and "Euro" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the Euro, as amended, references to "£" or "Sterling" are to the lawful currency of the United Kingdom, references to "U.S.\$" or "U.S. dollars" are to the lawful currency of the United States of America and references to "Renminbi", "RMB" or "CNY" are to the lawful currency of the People's Republic of China ("China"), excluding in Hong Kong, China, Macau, China and Taiwan, China.

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

Markets in Financial Instruments Directive (Directive 2014/65/EU) (as amended, "MiFID II") product governance / target market – A determination will be made in relation to each issue of Notes as to 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 none of the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

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

AIIB does not qualify as an "investment firm", "manufacturer" or "distributor" for the purposes of MiFID II.

IMPORTANT – NOTICE TO INVESTORS IN BELGIUM

If the 'Prohibition of Sales to Belgian Consumers' is specified as applicable in the applicable Pricing Supplement, the Notes are not intended to be offered, sold or resold, transferred or delivered or otherwise made available to and should not be offered, sold or resold, transferred or delivered or otherwise made available to any individual in Belgium qualifying as a consumer (*consument/consommateur*) within the meaning of Article I.1 of the Belgian Code of Economic Law (*Wetboek van economisch recht / Code de droit économique*), as amended from time to time.

BENCHMARKS REGULATION

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (as amended or superseded) (the "**Benchmarks Regulation**"). If any such reference rate does constitute such a benchmark, the Pricing Supplement will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation. Transitional provisions in the Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the Pricing Supplement. The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the applicable Pricing Supplement to reflect any change in the registration status of the administrator.

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) of the Programme described above or the rating(s) assigned to the Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Pricing Supplement. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be (1) issued by a credit rating agency established in the European Economic Area ("EEA") and registered under the CRA Regulation, or (2) issued by a credit rating agency which is not established in the EEA but will be endorsed by a credit rating agency which is established in the EEA and registered under the CRA Regulation or (3) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation, will be disclosed in the Pricing Supplement. A list of rating agencies registered under the CRA Regulation can be found at <http://www.esma.europa.eu>. A rating is not a recommendation to buy or sell or hold the Notes and may be subject to suspension, change or withdrawal by the assigning rating agency.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Base Prospectus or confirmed the accuracy or determined the adequacy of the information contained in this Base Prospectus. Any representation to the contrary is unlawful.

Notification under Section 309B(1)(c) of the Securities and Futures Act, Chapter 289 of Singapore: Unless otherwise stated in the Pricing Supplement in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Certain of the Dealers and their respective 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 or any of its affiliates in the ordinary course of business.

No comment is made, and no advice is given by the Issuer or any Dealer in respect of taxation matters relating to the Notes and each investor is advised to consult its own professional adviser(s).

The distribution of this Base Prospectus and any offering or sale of the Notes is not a waiver, renunciation or other modification by the Issuer or by any of its Governors, Directors, Alternate Governors, Alternate Directors, the President, Vice-Presidents and other officers or employees of any of the rights, status, immunities, privileges or exemptions conferred upon any of them by the Issuer's articles of agreement (the "Articles of Agreement"), all of the Issuer's basic documents, any applicable law or international practice, all of which are hereby expressly reserved.

THE NOTES ARE NOT OBLIGATIONS OF ANY GOVERNMENT.

STABILISATION

In connection with the issue of any Tranche of Notes, a Dealer or Dealers (if any) acting as the stabilising manager(s) (the "**Stabilising Manager(s)**") (or persons acting on behalf of any Stabilising Manager(s)) may over allot the 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 occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager(s) (or persons acting on behalf of the Stabilising Manager(s)) in accordance with all applicable laws and rules.

NOTICE TO U.S. INVESTORS

This Base Prospectus may be submitted on a confidential basis in the United States to a limited number of QIBs for informational use solely in connection with the consideration of the purchase of certain Notes which may be issued under the Programme. Its use for any other purpose in the United States is not

authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

Any 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 United States persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the Treasury regulations promulgated thereunder (the "**Code**").

Registered Notes may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act in reliance on Rule 144A or any other applicable exemption. Each U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes to it may be being made in reliance upon the exemption from the registration requirements of Section 5 of the Securities Act provided by Rule 144A.

Each purchaser or holder of Notes represented by a Restricted Registered Global Note (as defined below) or any Notes issued in registered form in exchange or substitution therefor (together "**Legended Notes**") will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in "*Subscription and Sale*" and "*Forms of the Notes and Transfer Restrictions Relating to U.S. Sales*".

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with any resale or other transfers of Notes that are "restricted securities" (as defined in Rule 144(a)(3) of the Securities Act), the Issuer will furnish, upon the request of a holder of such Notes or of a beneficial owner of an interest therein, to such holder or beneficial owner or to a prospective purchaser designated by such holder or beneficial owner, the information required to be delivered under Rule 144A(d)(4) under the Securities Act and will otherwise comply with the requirements of Rule 144A(d)(4) under the Securities Act, if, at the time of such request, any of the relevant Notes remain outstanding as "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act and the Issuer is not subject to Section 13 or Section 15(d) of the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

FORWARD-LOOKING STATEMENTS

This Base Prospectus includes "forward-looking statements". All statements other than statements of historical facts included in this Base Prospectus, including, without limitation, those regarding the Issuer's financial position, strategy, plans and objectives for future operations, are forward-looking statements. 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 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 Issuer's present and future strategies and the environment in which the Issuer will operate in the future. Among the important factors that could cause the Issuer's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, macro-economic conditions and non-performance by borrowers. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*". These forward-looking statements speak only as of the date of this Base Prospectus. The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

CONTENTS

	Page
SUPPLEMENT TO BASE PROSPECTUS	1
PRICING SUPPLEMENT AND DRAWDOWN PROSPECTUS.....	1
OVERVIEW	2
RISK FACTORS	7
INFORMATION INCORPORATED BY REFERENCE	15
USE OF PROCEEDS	16
DESCRIPTION OF THE ISSUER.....	17
TERMS AND CONDITIONS OF THE NOTES	22
FORM OF PRICING SUPPLEMENT	62
SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM.....	73
FORMS OF THE NOTES AND TRANSFER RESTRICTIONS RELATING TO U.S. SALES.....	75
TAXATION	86
SUBSCRIPTION AND SALE	87
GENERAL INFORMATION	90

SUPPLEMENT TO BASE PROSPECTUS

The Issuer has given an undertaking to the Dealers that, unless the Issuer has notified the Dealers in writing that it does not intend to issue Notes under the Programme for the time being, in the event that a material new factor, mistake or inaccuracy relating to the information included in this Base Prospectus arises or is noted which is capable of affecting the assessment by prospective investors of any Notes which may be issued under the Programme, the Issuer shall update or amend the Base Prospectus by the publication of a supplement thereto or a new base prospectus and shall deliver to the Dealers, without charge, from time to time such number of copies of such supplement hereto or new base prospectus as such Dealer may reasonably request.

PRICING SUPPLEMENT AND DRAWDOWN PROSPECTUS

In the following paragraphs, 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 of the rights attaching to the Notes. In relation to the different types of Notes which may be issued under the Programme, the Issuer has endeavoured to include in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained in the relevant Pricing Supplement or in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of a Pricing Supplement, that Pricing Supplement will, for the purposes of that Tranche only, complete and/or amend this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Pricing Supplement are the Conditions described in the relevant Pricing Supplement as amended and/or supplemented to the extent described in the relevant Pricing Supplement.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as amended and/or supplemented to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus 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 Drawdown Prospectus unless the context requires otherwise.

Each Drawdown Prospectus will be constituted either: (1) by a single document containing the necessary information relating to the Issuer and the relevant Notes; or (2) by an offering document containing the necessary information relating to the Issuer, a securities note containing the necessary information relating to the relevant Notes and, if necessary, a summary note.

OVERVIEW

The following general description of the Programme does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the Conditions of any particular Tranche of Notes, the applicable Pricing Supplement. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this overview of the Programme.

Issuer:	Asian Infrastructure Investment Bank. AIIB is a multilateral development bank with a mission to (i) foster sustainable economic development, create wealth and improve infrastructure connectivity in Asia by investing in infrastructure and other productive sectors and (ii) promote regional cooperation and partnership in addressing development challenges by working in close collaboration with other multilateral and bilateral development institutions. For a further description of the Issuer, see " <i>Description of the Issuer</i> ".
Risk Factors:	Investing in the Notes issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuer to fulfil its obligations under the Notes are discussed under " <i>Risk Factors</i> " below.
Arrangers:	Barclays Bank PLC, Goldman Sachs International, HSBC Bank plc and Merrill Lynch International.
Dealers:	Barclays Bank PLC, Goldman Sachs International, HSBC Bank plc and Merrill Lynch International, and any other Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes only.
Fiscal Agent and Paying Agent:	Citibank, N.A., London Branch.
Registrar and Transfer Agent:	Citibank, N.A., London Branch.
Luxembourg Listing Agent:	Banque Internationale à Luxembourg, société anonyme.
Listing and Trading:	Application has been made to the Stock Exchange for Notes issued under the Programme to be admitted to the Official List of the Stock Exchange and to trading on its regulated market. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer. The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
Clearing Systems:	Euroclear and/or Clearstream, Luxembourg and/or DTC and/or, in relation to any Tranche of Notes, any other clearing system as may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer and as specified in the relevant Pricing Supplement.
Issuance in Series:	The Notes will be issued in series (each, a " Series "). Each Series may comprise one or more Tranches issued on different issue dates. Tranches of the same Series of Notes will all be subject to identical

terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.

Pricing Supplement or Drawdown Prospectus

Each Tranche of Notes will be issued on the terms set out in the Conditions as amended and/or supplemented by the relevant Pricing Supplement or Drawdown Prospectus.

Forms of Notes:

The Notes may be issued in bearer form or in registered form.

Bearer Notes

Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Pricing Supplement. Each Bearer Global Note which is intended to be issued in CGN form, as specified in the relevant Pricing Supplement, will be deposited on or around the relevant issue date with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Bearer Global Note which is intended to be issued in NGN form, as specified in the relevant Pricing Supplement, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Pricing Supplement, for Definitive Notes (as defined below). If TEFRA D (as defined below) is specified in the relevant Pricing Supplement as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note.

Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have interest coupons (the "**Coupons**") attached and, if appropriate, a talon for further Coupons (a "**Talon**").

Registered Notes

Notes in registered form which are offered in offshore transactions in reliance on Regulation S will be represented by interests in a registered global note certificate (the "**Unrestricted Registered Global Note**") deposited with a common depository or, in the case of Unrestricted Registered Global Notes to be held under the NSS, a common safekeeper for Euroclear and Clearstream, Luxembourg, and registered in the name of a nominee of the common safekeeper, on or about the date of issue of the relevant Tranche.

Notes which are offered and sold to QIBs in reliance on Rule 144A or another applicable exemption from registration under the Securities Act will be represented by interests in a registered global note certificate (the "**Restricted Registered Global Note**"), deposited with a custodian for and registered in the name of a nominee of DTC on or about the date of issue of the relevant Tranche. Interests in the Restricted Registered Global Notes will be shown on, and transfers thereof will be effected only through, records maintained by

DTC and its direct and indirect participants, including depositories for Euroclear and Clearstream, Luxembourg (as applicable).

Individual note certificates ("**Individual Note Certificates**") evidencing holdings of Notes will only be available in certain limited circumstances. See "*Forms of the Notes and Transfer Restrictions Relating to U.S. Sales*" below.

Currencies: The Notes may be denominated in any currency or currencies, including, without limitation, Euro, Sterling, Renminbi and United States Dollars, subject to compliance with all applicable legal and/or regulatory requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.

Terms applicable to dual currency Notes will be specified in the relevant Pricing Supplement.

Status of the Notes: The Issuer's obligations under the Notes will rank at least *pari passu* with all present and future unsecured and unsubordinated obligations of the Issuer other than obligations mandatorily preferred by law applying generally. Notes will not be obligations of any government.

Issue Price: The Notes may be issued at any price as specified in the relevant Pricing Supplement. The price and amount of the Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue.

Maturities: Such maturities as may be agreed between the Issuer and the relevant Dealer(s), subject to such minimum or maximum maturities as may be allowed or required from time to time by any laws, policies or regulations applicable to the Issuer or the relevant currency.

Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or 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; or (ii) be issued in other circumstances which do not constitute a contravention of Section 19 of the FSMA by the Issuer.

Redemption: The Notes may be redeemable at par or at such other Redemption Amount as may be specified in the Conditions or relevant Pricing Supplement.

Optional Redemption: If so specified in the Pricing Supplement, the Notes may be redeemed prior to their stated maturity at the option of the Issuer in accordance with Condition 9(c) (*Redemption at the option of the Issuer*) and/or the Noteholders in accordance with Condition 9(d) (*Redemption at the option of Noteholders*), or as otherwise specified in the relevant Pricing Supplement.

Early Redemption Amount:	If the Notes are to be redeemed early, such Notes will be redeemed at their Early Redemption Amount, as may be specified in the relevant Pricing Supplement.
Interest:	The Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or as otherwise specified in the relevant Pricing Supplement and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.
Fixed Rate Notes:	Fixed rate interest will bear interest in accordance with Condition 5 (<i>Fixed Rate Note Provisions</i>).
Floating Rate Notes:	Floating Rate Notes will bear interest in accordance with Condition 6 (<i>Floating Rate Note Provisions</i>).
Zero Coupon Notes:	Zero Coupon Notes will be payable in accordance with Condition 7 (<i>Zero Coupon Note Provisions</i>).
Denominations:	<p>The Notes will be issued in such denominations as may be specified in the relevant Pricing Supplement, subject to compliance with all applicable legal and/or regulatory requirements.</p> <p>Notes denominated in the currency of a country that subsequently adopts the euro in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, may be subject to redenomination, renominatisation and/or consolidation with other Notes (provided they are fully fungible) then denominated in euro.</p> <p>The Issuer may specify in the applicable Pricing Supplement that such Notes will include a redenomination clause for the redenomination of the Specified Currency in euro, and, if so specified, the wording of the redenomination clause will be set out in full in the applicable Pricing Supplement.</p>
Event of Default (including Cross Default):	The Noteholders will have the benefit of a default (including cross default) provision, as described in Condition 13 (<i>Events of Default</i>).
Taxation:	<p>The Notes and interest thereon generally will be subject to taxation. See "<i>Taxation</i>" below.</p> <p>However, the Issuer, its assets, property, income and its operations and transactions are exempt from all taxes and customs duties imposed by any of its members. The Issuer is also exempt from any obligation for the payment, withholding or collection of any tax or duty imposed by any of its members.</p> <p>Investors who are in any doubt as to their position should consult their professional advisers.</p>
Enforcement of Notes in Global Form:	In the case of Notes represented by Registered Global Notes or Bearer Global Notes, individual investors' rights against the Issuer will be governed by a deed of covenant dated on or around 18 December 2019 (the " Deed of Covenant "), a copy of which will be available for inspection at the Specified Office (as defined in the Agency Agreement) of the Fiscal Agent.
Governing Law:	English law.
Arbitration:	Administered by the Hong Kong International Arbitration Centre.

Ratings:

The Programme has been rated, and the Notes are, on issue, expected to be rated Aaa by Moody's and AAA by S&P. Moody's and S&P are not established in the European Union and have not applied for registration under the CRA Regulation. The ratings have been endorsed by Moody's Deutschland and S&P Europe in accordance with the CRA Regulation. Each of Moody's Deutschland and S&P Europe is established in the European Union and is registered under the CRA Regulation. As such, as at the date of this Base Prospectus, each of Moody's Deutschland and S&P Europe is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.

Tranches of Notes issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) described above for 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. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be (1) issued by a credit rating agency established in the EEA and registered under the CRA Regulation, (2) issued by a credit rating agency which is not established in the EEA but will be endorsed by a credit rating agency which is established in the EEA and registered under the CRA Regulation, or (3) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation, will be disclosed in the Pricing Supplement.

Selling Restrictions:

For a description of certain restrictions on offers, sales and deliveries of the Notes and on the distribution of offering material in the United States of America, the United Kingdom, Belgium, Japan, Singapore and Hong Kong, China, see "*Subscription and Sale*" below.

There are restrictions on the transfer of Notes sold pursuant to Regulation S and Rule 144A. See "*Forms of the Notes and Transfer Restrictions Relating to U.S. Sales*" below.

The Bearer Notes will be issued in compliance with United States Treasury Regulations Section 1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) ("**TEFRA D**") unless (i) the relevant Pricing Supplement states that Notes are issued in compliance with United States Treasury Regulations Section 1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) ("**TEFRA C**") or (ii) the Notes are issued other than in compliance with TEFRA D or TEFRA C but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the relevant Pricing Supplement as a transaction to which TEFRA is not applicable.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

The Issuer believes that the factors described below represent some of the principal risks inherent in investing in the Notes issued under the Programme, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

Risks related to the Notes

The Notes may be redeemed prior to maturity

If the relevant Pricing Supplement for any particular Tranche of Notes specifies that the Notes are redeemable at the Issuer's option, in certain circumstances, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Fixed/Floating Rate Notes

Fixed to Floating Rate Notes or Floating to Fixed Rate Notes ("**Fixed/Floating Rate Notes**") may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. This Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than the then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on comparable Fixed Rate Notes.

Calculation Agent

The Issuer may appoint a Dealer as calculation agent (the "**Calculation Agent**") in respect of an issue of Notes under the Programme. In such a case, the Calculation Agent is likely to be a member of an international financial group that is involved, in the ordinary course of its business, in a wide range of banking activities out of which conflicting interests may arise. Whilst such a Calculation Agent is expected, where relevant, to have information barriers and procedures in place to manage conflicts of interest, it may in its other banking activities from time to time be engaged in transactions involving an index or related derivatives which may affect amounts receivable by Noteholders during the term and on the maturity of the Notes or the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Notes issued at a substantial discount or premium

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

Future discontinuance of LIBOR may adversely affect the value of Notes which reference LIBOR

Interest rates and indices which are deemed to be "benchmarks" such as LIBOR and EURIBOR are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which

cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark.

On 27 July 2017, the United Kingdom Financial Conduct Authority (the "FCA"), which regulates LIBOR, announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark 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. In a further speech on 12 July 2018, the FCA emphasised that market participants should not rely on the continued publication of LIBOR after the end of 2021.

It is impossible to predict whether and to what extent banks will continue to provide LIBOR submissions to the administrator of LIBOR or whether any additional reforms to LIBOR may be enacted in the United Kingdom or elsewhere. At this time, no consensus exists as to what rate or rates may become accepted alternatives to LIBOR and it is impossible to predict the effect of any such alternatives on the value of LIBOR-based securities such as the Notes.

The potential elimination of LIBOR or any other benchmark, or changes in the manner of administration of any benchmark, may have the effect, amongst other things, of: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes referencing a benchmark.

The Conditions provide for certain fallback arrangements in the event that a published benchmark, including an inter-bank offered rate such as LIBOR, EURIBOR or other relevant reference rates, (including any page on which such benchmark may be published (or any successor service)) becomes unavailable or a Benchmark Event (as defined in the Conditions) otherwise occurs, including the possibility that the rate of interest or other amounts payable under the Notes could be set by reference to a successor rate or an alternative reference rate and that such successor rate or alternative reference rate may be adjusted (if required) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark. In certain circumstances, the fallback for the purposes of calculation of interest or other amounts payable under the Notes may be based upon a determination to be made by an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer (an "Independent Adviser"). In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time and in the event of a permanent discontinuation of LIBOR or any other benchmark, the Issuer may be unable to appoint an Independent Adviser or the Independent Adviser may be unable to determine a successor rate or alternative reference rate. In these circumstances, where LIBOR or any other benchmark has been discontinued, the rate of interest will revert to the rate of interest applicable as at the immediately preceding Interest Determination Date or Reset Date, as applicable (as defined in the Conditions).

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by any benchmark reforms in making any investment decision with respect to any Notes referencing a benchmark.

The market continues to develop in relation to SONIA and SOFR as reference rates for Floating Rate Notes

On 29 November 2017, the Bank of England and the FCA announced that, from January 2018, the Bank of England's Working Group on Sterling Risk-Free Rates has been mandated with implementing a broad-based transition to the Sterling Overnight Index Average ("SONIA") across sterling bond, loan and derivatives markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021. Investors should be aware that the market continues to develop in relation to SONIA as a reference rate in the capital markets and its adoption as an alternative to Sterling LIBOR. In particular, market participants and relevant working groups are exploring alternative reference rates based on SONIA, including term SONIA reference rates (which seek to measure the market's forward expectation of an average SONIA rate over a designated term). The market or a significant part thereof may adopt an application of SONIA that differs significantly from that set out in the Conditions and used in relation to

Floating Rate Notes that reference a SONIA rate issued under this Programme. As SONIA is published and calculated by the Bank of England based on data received from other sources, the Issuer has no control over its determination, calculation or publication. There can be no guarantee that SONIA will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Floating Rate Notes linked to SONIA. If the manner in which SONIA is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes.

The Secured Overnight Financing Rate ("**SOFR**") is published by the Federal Reserve Bank of New York (the "**Federal Reserve**") and is intended to be a broad measure of the cost of borrowing cash overnight collateralised by Treasury securities. The Federal Reserve notes on its publication page for SOFR that the Federal Reserve may alter the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice. Because SOFR is published by the Federal Reserve based on data received from other sources, the Issuer has no control over its determination, calculation or publication. There can be no guarantee that SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Floating Rate Notes linked to SOFR. If the manner in which SOFR is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes. The Federal Reserve began to publish SOFR in April 2018. The Federal Reserve has also begun publishing historical indicative SOFR rates going back to 2014. Investors should not rely on any historical changes or trends in SOFR as an indicator of future changes in SOFR. Also, since SOFR is a relatively new market index, Notes linked to SOFR may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to SOFR, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of the Notes linked to SOFR may be lower than those of later-issued indexed debt securities as a result.

The Issuer may in the future also issue Notes referencing SONIA or SOFR that differ materially in terms of interest determination when compared with any previous SONIA-referenced or SOFR-referenced Notes issued under the Programme. The development of Compounded Daily SONIA, Compounded Daily SOFR and Weighted Average SOFR as interest reference rates for the Eurobond markets, as well as continued development of SONIA-based and SOFR-based rates for such markets and market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or otherwise affect the market price of any SONIA-referenced or SOFR-referenced Notes issued under the Programme. Interest on Notes which reference Compounded Daily SONIA, Compounded Daily SOFR or Weighted Average SOFR is only capable of being determined at the end of the relevant Interest Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes that reference a SONIA rate or SOFR rate to reliably estimate the amount of interest that will be payable on such Notes. Further, if the Notes become due and payable under Condition 13 (*Events of Default*), the Rate of Interest applicable to the Notes shall be determined on the date the Notes became due and payable and shall not be reset thereafter. In addition, the manner of adoption or application of SONIA reference rates and SOFR reference rates in the Eurobond markets may differ materially compared with the application and adoption of SONIA and SOFR in other markets, such as the derivatives and loan markets.

Investors should carefully consider how any mismatch between the adoption of SONIA reference rates and SOFR reference rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of any Notes referencing a SONIA rate or a SOFR rate. Investors should consider these matters when making their investment decision with respect to any such Notes.

Further, if SONIA or SOFR do not prove to be widely used in securities like the Notes, the trading prices of Notes linked to SONIA or SOFR may be lower than those of securities linked to reference rates that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market and may consequently suffer from increased pricing volatility and market risk.

The interest rate in respect of the Notes may be determined on the basis of €STR which is a backwards-looking, compounded risk-free overnight rate

The Euro Short Term Rate ("**€STR**") is published by the European Central Bank and is intended to reflect the wholesale euro unsecured overnight borrowing costs of banks located in the euro area. The European Central Bank reports that the €STR is published on each TARGET Business Day based on transactions

conducted and settled on the previous TARGET Business Day (the reporting date "T") with a maturity date of T+1 which are deemed to have been executed at arm's length and thus reflect market rates in an unbiased way.

The European Central Bank began to publish the €STR on 2 October 2019, intended to reflect trading activity on 1 October 2019. The European Central Bank notes on its publication page for the €STR that use of the €STR is subject to important disclaimers. The European Central Bank also published pre-€STR up to 30 September 2019. The European Central Bank reports that, while the €STR follows the same calculation methodology as the pre-€STR, the pre-€STR was based on final data and included all revisions in terms of cancellations, corrections and amendments submitted by reporting agents at the time of calculation. The European Central Bank reports that, by contrast, the €STR is published each TARGET Business Day at 8:00 a.m., Central European Time, taking into account only the statistical information received by the submission deadline of 7:00 a.m. Central European Time, subject to the quality processing steps described in the €STR methodology and policies. Investors should not rely on any trends in the pre-€STR as an indicator of future changes in the €STR.

Prospective investors in the Notes should be aware that the market continues to develop in relation to risk free rates, such as €STR, as reference rates in the capital markets. Furthermore, the market or a significant part thereof may adopt an application of the €STR that differs significantly from that set out herein and the Issuer may issue notes referencing the €STR that differ materially in terms of interest determination when compared with any previous €STR referenced bonds issued by it. The nascent development of the €STR as an interest reference rate for bond markets, as well as continued development of €STR-based rates for such markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of the Notes.

Furthermore, the interest rate in respect of the Notes is only capable of being determined at the end of the relevant Observation Period (as defined in the Conditions) and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in the Notes to estimate reliably the amount of interest which will be payable on the Notes, and some investors may be unable or unwilling to trade the Notes without changes to their systems, both of which factors could adversely impact the liquidity of the Notes.

In addition, as the €STR is published by the European Central Bank, the Issuer has no control over its determination, calculation or publication. There can be no guarantee that the €STR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in the Notes. Furthermore, the manner of adoption or application of the €STR in the bond markets may differ materially compared with the application and adoption of the €STR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of the €STR across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of the Notes.

To the extent the €STR is discontinued or is no longer published as described in the Conditions, the applicable rate to be used to calculate the interest rate on the Notes will be determined using the alternative methods described in the Conditions. Any of these fallbacks may result in interest payments that are lower than, or do not otherwise correlate over time with, the payments that would have been made on the Notes if the €STR had been provided by the European Central Bank in its current form. In addition, use of such fallbacks may result in a fixed rate of interest being applied to the Notes.

Accordingly, an investment in the Notes may entail significant risks not associated with similar investments in conventional debt securities. Any investor should ensure that it understands the nature of the terms of the Notes and the extent of its exposure to risk, and that it considers the suitability of the Notes as an investment in the light of its own circumstances and financial condition. An investor should consult its own professional advisers about the risks associated with investment in the Notes and the suitability of investing in the Notes in light of its particular circumstances.

The Notes may not be a suitable investment for all investors

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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

Payments under the Notes may be subject to U.S. withholding under the Foreign Account Tax Compliance Act ("FATCA")

The United States has enacted rules, commonly referred to as FATCA, that generally impose a reporting and withholding regime with respect to certain payments made by entities that are classified as financial institutions under FATCA. The Issuer does not expect payments made on or with respect to the Notes to be subject to withholding under FATCA. However, significant aspects of whether or how FATCA will apply remain unclear, and no assurance can be given that withholding under FATCA will not become relevant with respect to payments made by the Issuer in the future. Prospective investors should consult their own tax advisors regarding the potential impact of FATCA.

Investors will have to rely on the procedures of DTC, Euroclear and Clearstream, Luxembourg

The Notes will be represented by Bearer Global Notes or Registered Global Notes (collectively, "**Global Notes**") except in certain limited circumstances described in the relevant Global Note. The Global Notes will be deposited with a common depositary or a common safekeeper, as applicable, for Euroclear and Clearstream, Luxembourg or may be deposited with a nominee for DTC. Except in certain limited circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. Each of DTC, Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by the Global Notes, investors will be able to trade their beneficial interests only through DTC, Euroclear and Clearstream, Luxembourg.

The Issuer will discharge its payment obligations under the Notes by making payments through the relevant clearing systems for distribution to their accountholders. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by DTC, Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in

the Global Notes will not have a direct right under the Global Notes to take enforcement action against the Issuer in the event of a default under the Notes but will have to rely upon their rights under the Deed of Covenant.

Modification, waiver and substitution

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

Change of law

The Conditions are based on English law in effect as at the date of this Base Prospectus. 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 this Base Prospectus and any such change could materially and adversely impact the value of any Notes affected by it.

Denominations

In relation to any issue of Notes which have a denomination consisting of the minimum specified denomination plus an integral multiple of a smaller amount, it is possible that the Notes may be traded in amounts that are not integral multiples of such minimum specified denomination (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount not equal to such minimum specified denomination or an integral multiple thereof may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and may need to purchase a principal amount of Notes such that its holding amounts to the minimum specified denomination or an integral multiple thereof.

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

There may not be an active trading market for the Notes

The Notes are new securities which may not be widely distributed and for which there may not be an active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although an application has been made for the Notes to be admitted to the Official List of the Stock Exchange and traded on its regulated market, there is no assurance that such applications will be accepted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in a specified currency (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 change significantly (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Specified Currency or 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 (i) the Investor's Currency equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose 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.

Fixed Rate Notes are subject to interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of such Fixed Rate Notes.

A Holder of a Floating Rate Note is exposed to the risk of fluctuating interest rate levels and uncertain interest income

A holder of a Floating Rate Note is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the yield of Floating Rate Notes in advance. Neither the current nor the historical value of the relevant floating rate should be taken as an indication of the future development of such floating rate during the term of any Notes.

Floating Rate Notes may be structured to include caps or floors, or any combination of those features. The effect of a cap is that the amount of interest will never rise above and beyond the predetermined cap, so that the holder will not be able to benefit from any actual favourable development beyond the cap. The yield could therefore be considerably lower than that of similar Floating Rate Notes without a cap.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors which 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 rating agency at any time.

Legal investment considerations may restrict certain investments

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.

Dual Currency Notes

The Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that the market price of such Notes may be volatile and that payment of principal or interest may occur at a different time or in a different currency than expected.

Risks related to Notes denominated in Renminbi

A description of risks which may be relevant to an investor in Notes denominated in Renminbi ("**Renminbi Notes**") is set out below.

Renminbi is not freely convertible and there are restrictions on the cross-border remittance of Renminbi

The Renminbi is not freely convertible and the government of China continues to regulate conversion between the Renminbi and other currencies.

The cross-border remittance of Renminbi for the settlement of capital account items, such as capital contributions, debt financing and securities investments is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system.

Despite certain efforts in recent years towards liberalisation of the Renminbi, there can be no assurance that such liberalisation will continue. That the Renminbi is not freely convertible, and, as such, is in limited supply offshore, may affect the liquidity of Renminbi Notes and the Issuer's ability to source Renminbi to satisfy its obligations under Renminbi Notes.

Investment in Renminbi Notes is subject to exchange rate risks

The value of the Renminbi against other foreign currencies fluctuates from time to time and is affected by changes in political and economic conditions in China and globally, as well as many other factors. All payments of interest and principal will be made in Renminbi with respect to Renminbi Notes unless otherwise specified. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of the Renminbi depreciates against another foreign currency, the value of the investment made by a holder of Renminbi Notes in that foreign currency will decline.

Investment in Renminbi Notes is subject to currency risk

If the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on Renminbi Notes as a result of Inconvertibility, Non-transferability or Illiquidity (each, as defined in the Conditions), the Issuer shall be entitled, on giving not less than five business days' or more than 30 calendar days' (or such other period as may be specified in the relevant Pricing Supplement) irrevocable notice to the investors prior to the due date for payment, to settle any such payment in U.S. Dollars on the due date at the U.S. dollar Equivalent (as defined in the Conditions) of any such interest or principal, as the case may be.

Investment in Renminbi Notes is subject to interest rate risks

The government of China has gradually liberalised its regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. In addition, the interest rate for the Renminbi in markets outside China may significantly deviate from the interest rate for the Renminbi in China as a result of foreign exchange controls imposed by Chinese law and regulations and prevailing market conditions.

As Renminbi Notes may carry a fixed interest rate, the trading price of Renminbi Notes will consequently vary with the fluctuations in the Renminbi interest rates. If holders of Renminbi Notes propose to sell their Renminbi Notes before their maturity, they may receive an offer lower than the amount they have invested.

Payments with respect to Renminbi Notes may be made only in the manner designated in the Notes

All payments to investors in respect of Renminbi Notes will be made solely by transfer to a Renminbi bank account maintained in Hong Kong, China. The Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in China).

Gains on the transfer of Renminbi Notes may become subject to income taxes under China's tax laws

Under China's Enterprise Income Tax Law and Individual Income Tax Law (including relevant implementing rules), any gain realised on the transfer of Renminbi Notes by offshore resident enterprises or individuals may be subject to China's enterprise income tax ("**EIT**") (currently set at 10 per cent.) or individual income tax ("**IIT**") (currently set at 20 per cent.) to the extent such gain is regarded as income derived from onshore sources.

If an offshore enterprise or individual is required to pay EIT or IIT on gains derived from the transfer of Renminbi Notes, and there is no applicable tax treaty in place between China and the jurisdiction of such enterprise or individual that reduces or exempts such tax, the value of its investment in Renminbi Notes may be materially and adversely affected.

INFORMATION INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and form part of, this Base Prospectus:

- (a) the most recently available unaudited condensed interim financial statements of the Issuer (as published on its website at *www.aiib.org* from time to time) beginning with such condensed interim financial statements as at and for the period ended 30 September 2019;
- (b) the most recently available audited annual financial statements of the Issuer (as published on its website at *www.aiib.org* from time to time) beginning with such financial statements as at and for the year ended 31 December 2018; and
- (c) any amendment or supplement to this Base Prospectus,

except that any statement contained in this Base Prospectus and any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be deemed to be modified or superseded for the purposes of this Base Prospectus to the extent that a statement contained in a document subsequently incorporated by reference in this Base Prospectus modifies or supersedes that statement.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

Copies of documents incorporated by reference in this Base Prospectus can be obtained from the Issuer's website at *www.aiib.org* and, upon request, free of charge, from the registered office of the Specified Offices of the Paying Agents for the time being in London.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus and are either not relevant to investors or covered elsewhere in this Base Prospectus.

USE OF PROCEEDS

The net proceeds from the sale of the Notes will be included in the ordinary resources of the Bank. AIIB's mission is to (i) foster sustainable economic development, create wealth and improve infrastructure connectivity in Asia by investing in infrastructure and other productive sectors and (ii) promote regional cooperation and partnership in addressing development challenges by working in close collaboration with other multilateral and bilateral development institutions. The Articles of Agreement require that each of the Bank's operations comply with the Bank's operational and financial policies, which include policies addressing environmental and social impacts. The Bank's financings, which may include loans, guarantees or equity or other forms of investments, undergo an approval, implementation and monitoring process designed to ensure they align with the Bank's mission, as well as adhere to applicable environmental and social safeguards. Pending their use, the net proceeds from the sale of the Notes will be invested as part of AIIB's liquid assets portfolio.

DESCRIPTION OF THE ISSUER

Overview

AIIB is a multilateral development bank ("MDB") with a mission to: (i) foster sustainable economic development, create wealth and improve infrastructure connectivity in Asia by investing in infrastructure and other productive sectors; and (ii) promote regional cooperation and partnership in addressing development challenges by working in close collaboration with other multilateral and bilateral development institutions.

The Bank commenced operations on 16 January 2016 to help its members meet a substantial financing gap between the demand for infrastructure in Asia and available financial resources. The Bank aims to work with public and private sector partners to channel its own public resources, together with private and institutional funds, into sustainable infrastructure investment. The Bank maintains its principal office in Beijing, China.

The Bank has identified three thematic priorities:

- *Sustainable Infrastructure*: Promoting green infrastructure and supporting countries to meet their environmental and development goals.
- *Cross-border Connectivity*: Prioritising cross-border infrastructure, ranging from roads and rail, to ports, energy pipelines and telecoms across Central Asia, and the maritime routes in Southeast Asia, South Asia, the Middle East and beyond.
- *Private Capital Mobilisation*: Devising innovative solutions that catalyse private capital, in partnership with other MDBs, governments, private financiers and other partners.

The Bank has developed, and continues to develop, a wide range of operational policies, strategies and frameworks designed to ensure that there is a direct link between the Bank's mission and thematic priorities and the projects it finances. Sustainable development is an integral part of the Bank's identification, preparation and implementation of projects. For example, the Bank has approved an Environmental and Social Framework, which, consistent with the United Nations' Sustainable Development Goals and the practices of peer MDBs, recognises the need to address the three dimensions of sustainable development – economic, social and environmental – in a balanced and integrated manner.

Legal Status

AIIB was established and operates under the Articles of Agreement, an international treaty to which governments are parties and which was open for signature on 29 June 2015 and entered into force on 25 December 2015. The Bank is not a private institution and does not have private shareholders.

The Articles of Agreement provide that all the powers of AIIB shall be vested in the Board of Governors of AIIB (the "**Board of Governors**"). The Board of Governors has delegated a broad range of operational oversight functions to the non-resident Board of Directors of AIIB (the "**Board of Directors**"). On 16 January 2016, the Board of Governors convened its inaugural meeting in Beijing and declared the Bank open for business.

The Articles of Agreement endow AIIB with full juridical personality and, in particular, the full legal capacity: (i) to contract; (ii) to acquire, and dispose of, immovable and movable property; (iii) to institute and respond to legal proceedings; and (iv) to take such other action as may be necessary or useful for its purpose and activities.

The Articles of Agreement provide that the Bank enjoys, in the territory of each of its members, the following immunities, exemptions and privileges:

- The Bank enjoys immunity from every form of legal process, except in cases arising out of or in connection with the exercise of its power to raise funds, to guarantee obligations, or to buy and sell securities, in which case actions may be brought in a court of competent jurisdiction in the territory in which the Bank has an office, has appointed an agent for service of process or has issued or guaranteed securities. Moreover, no action may be brought against the Bank by a member or an instrumentality of such member; instead they have recourse to special procedures for settlement of

disputes as described in the Articles of Agreement, in the by-laws and regulations of the Bank, or in contracts entered with the Bank.

- The property and other assets of the Bank are immune from all forms of seizure, attachment or execution before delivery of a final judgment against the Bank, and from search, requisition, confiscation, expropriation or any other forceful taking by executive or legislative action. The archives of the Bank and all documents belonging to it or held by it are inviolable, regardless of location or who holds them.
- All Governors, Directors, Alternate Governors, Alternate Directors, the President, Vice-president(s) and other officers and employees of the Bank are immune from legal process with respect to acts performed by them in their official capacity, except when the Bank waives this immunity.
- The Bank, its assets, property, income and its operations and transactions are immune from all taxes and customs duties, and the Bank is immune from any obligation relating to the payment, withholding or collection of any tax or duty.
- All of the property and assets of the Bank are free from restrictions, regulations, controls and moratoria of any nature (subject to the Articles of Agreement).
- The salaries, emoluments and expenses which the Bank pays to its Directors, Alternate Directors, President, Vice-President(s) and other officers and employees of the Bank are exempt from taxation, save to the extent that a member has explicitly reserved its right to tax such payments to its nationals or citizens.

Membership and Capital Structure

Membership

Membership in AIIB is open to members of the International Bank for Reconstruction and Development ("**IBRD**") or the Asian Development Bank ("**ADB**"). In the case of an applicant that is not a sovereign or not responsible for the conduct of its international relations (e.g., a political subdivision such as a semi-autonomous territory), application for membership in the Bank must be presented or agreed by the member of the Bank responsible for its international relations.

In October 2014, 22 countries signed a Memorandum of Understanding to establish the Bank. By the end of March 2015, 57 countries committed to being part of the process to design and establish the Bank. Negotiations on the Articles of Agreement concluded on 22 May 2015 and by the end of 2015, 57 prospective members had signed the Articles of Agreement. Signatories to the Articles of Agreement were required to ratify, accept or approve the Articles of Agreement no later than 31 December 2016, or such later date as determined by the Board of Governors by an affirmative vote of a majority of the total number of Governors, representing not less than a majority of the total voting power of AIIB's members (a "**Special Majority Vote**").

Members of IBRD or ADB which were not signatories to the Articles of Agreement may be admitted by a Special Majority Vote of the Board of Governors. In respect of membership for non-signatories to the Articles of Agreement, the Bank has established procedures for membership. These procedures include initial informal discussions with the Corporate Secretary of the Bank followed by a firm written expression of interest in membership addressed to the Corporate Secretary and signed by an applicant's duly authorised person with the rank of minister or above. If the applicant receives an informal consensus for admission from the Board of Directors, the Bank would then determine the indicative terms and conditions of membership of the applicant consistent with the Articles of Agreement. At this point, a formal application would then be made by the applicant, which would be signed by the applicant's competent authority, such as Head of Government, Head of State or Foreign Minister. Upon receipt of the membership application, the terms and conditions of membership (including the maximum number of shares of the Bank to which the applicant may subscribe) would be recommended by the Board of Directors to the Board of Governors for its approval. Following approval by a Special Majority Vote of the Board of Governors, the applicant would prepare the necessary domestic authorisation and legislation to become a member, and take other steps required for membership, including making payment of a first instalment for subscribed paid-in shares, appointing a Governor and Alternate Governor and assigning votes to a Director.

If a member fails to fulfil any of its obligations to the Bank, the Board of Governors may suspend such member by an affirmative vote of two-thirds of the total number of Governors, representing not less than three-quarters of the total voting power of AIIB's members (a "**Super Majority Vote**"). A suspended member automatically ceases to be a member one year from the date of its suspension, unless the Board of Governors decides by a Super Majority Vote to restore the member to good standing. Other than the right of withdrawal, a suspended member is not allowed to exercise any rights under the Articles of Agreement, but remains subject to all obligations under the Articles of Agreement.

Capital Structure

The authorised capital of the Bank consists of US\$100,000,000,000 divided into paid-in shares having an aggregate par value of US\$20,000,000,000 and callable shares having an aggregate par value of US\$80,000,000,000.

Payment of subscribed, paid-in capital is due in five instalments, except for members designated as less developed countries, which may pay in up to ten instalments. Capital subscriptions may be paid in United States dollars or in other convertible currency. However, to the extent that a member is a less developed country, the member may pay a portion of up to 50 per cent. of each instalment in the currency of the member, with the Bank having discretion as to what amount is equivalent to the full value in terms of U.S. dollars and the member maintaining the value of all such currency held by the Bank should the member's currency depreciate in the Bank's opinion.

The authorised capital stock of the Bank may be increased only by a Super Majority Vote.

Total voting power of each member consists of the sum of its basic votes, share votes and, in the case of a founding member, its founding member votes. A member's basic votes equal 12 per cent. of the aggregate sum of basic votes, share votes and founding member votes of all the members, divided by the number of members. Share votes consist of the number of shares of the capital stock of the Bank subscribed to by that member. All rights, including voting rights, acquired in respect of paid-in and associated callable shares for which payments are due but have not been received are suspended until full payment is received by the Bank. Each founding member (i.e., a member that has signed, and ratified, approved or accepted, the Articles of Agreement) is allocated 600 founding member votes.

Governance and Administration

Pursuant to the Articles of Agreement, the Bank is administered and managed by the Board of Governors, the Board of Directors, a President, one or more Vice-Presidents and other officers and staff.

Board of Governors

All of the powers of the Bank are vested in the Board of Governors, consisting of one Governor and one Alternate Governor appointed by each member. While the Articles of Agreement do not specify criteria for the appointment of Governors, the composition of the Board of Governors includes officials of ministerial (or equivalent) rank. Alternate Governors may only vote in the absence of their principal. A Chairman is elected at each annual meeting and such person holds the office until the election of the next Chairman.

The Board of Governors may delegate to the Board of Directors any or all its powers, except the power to: (i) admit new members and determine the conditions of their admission; (ii) increase or decrease the authorised capital stock of the Bank; (iii) suspend members; (iv) decide appeals from interpretations or applications of the Articles of Agreement given by the Board of Directors; (v) elect the Directors of the Bank and determine expenses to be paid for Directors and Alternate Directors, as well as their remuneration, if any; (vi) elect, suspend or remove the President and determine his/her remuneration; (vii) approve the general balance sheet and statement of profit and loss of the Bank; (viii) determine the reserves and the allocation and distribution of net profits of the Bank; (ix) amend the Articles of Agreement; (x) decide to terminate the operations of the Bank and to distribute its assets; and (xi) exercise such other powers as expressly assigned to the Board of Governors in the Articles of Agreement. The Board of Governors retains full power to exercise its authority over any delegated matter.

All matters before the Board of Governors are decided by a majority of the votes cast, other than matters that are designated as a Super Majority Vote or Special Majority Vote pursuant to the Articles of Agreement. A Super Majority Vote requires an affirmative vote of two-thirds of the total number of Governors, representing not less than three quarters of the total voting power of AIIB's members. Matters

requiring a Super Majority Vote include, among others, matters relating to: (i) suspension of membership; (ii) termination of the Bank's operations; (iii) distribution of assets; (iv) amendments to the Articles of Agreement; (v) increases in authorised capital; (vi) changing the subscription base so that regional members comprise less than 75 per cent. of total subscribed stock; (vii) increases to the subscription amount of a member; (viii) assistance to recipients beyond those authorised in the Articles of Agreement; (ix) allocation and distribution of net income otherwise than as provided by the Articles of Agreement; (x) electing, suspending or removing the President of the Bank; and (xi) increasing or decreasing the size of the Board of Directors. A Special Majority Vote requires an affirmative vote of a majority of the total number of Governors, representing not less than a majority of the total voting power of AIIB's members. A Special Majority Vote is required for certain matters, including, among others, those relating to (i) the issue of shares other than at par value, (ii) establishing subsidiary entities and (iii) admitting members of IBRD or ADB under different terms than provided for in the Articles of Agreement.

Board of Directors

The Board of Directors is responsible for the direction of the Bank's general operations through the exercise of powers delegated to it by the Board of Governors, in addition to those expressly assigned to it by the Articles of Agreement. Matters before the Board of Directors are decided by a majority vote, except as otherwise provided in the Articles of Agreement.

In addition to any powers delegated by the Board of Governors, the Board of Directors shall: (i) prepare the work of the Board of Governors; (ii) establish policies of the Bank and, with a majority representing not less than three quarters of the total voting power of the members, take decisions on major operational and financial policies and on delegation of authority to the President under Bank policies; (iii) take decisions concerning operations of the Bank and, with a majority representing not less than three quarters of the total voting power of the members, decide on the delegation of such authority to the President; (iv) supervise the management and operation of the Bank and establish an oversight mechanism for that purpose; (v) approve the strategy, annual plan and budget of the Bank; (vi) appoint committees; and (vii) submit the annual audited accounts for approval of the Board of Governors.

The Board of Directors consists of 12 members who are not members of the Board of Governors. Nine are elected by the Governors representing regional members, and three are elected by the Governors representing non-regional members. Each Director is elected by the Governors of a particular constituency, which is a small group of members with a minimum aggregate voting power. The minimum aggregate voting power is 6 per cent. for constituencies electing regional Directors and 15 per cent. for constituencies electing non-regional Directors.

Each Director appoints an Alternate Director (or two Alternate Directors in respect of those Directors casting votes for five or more members) who may participate in the meetings, but who only has the full power to act when the Director is not present. The Directors, who serve the Bank on a non-resident basis, hold office for two-year terms and may be re-elected. They also must be nationals of member jurisdictions and persons of recognised capacity and experience in economic and financial matters. The Articles of Agreement further specify that the nomination and voting by Governors for Directors and the appointment of Alternate Directors by Directors shall respect the principle that each founding member shall have the privilege to designate the Director or an Alternate Director in its constituency permanently or on a rotating basis.

Senior Management

The President, who serves as the legal representative of the Bank, is elected by a Super Majority Vote. The President must be a national of a regional member jurisdiction and may not be a Governor, a Director or an alternate for either. The term of office of the President is five years with the possibility of one additional term. The President is the Chairman of the Board of Directors, but has no vote other than a tie-breaking vote. The President may also participate in the meeting of the Board of Governors, but has no vote. The President is supported by a team of senior management, including several Vice-Presidents, the General Counsel and the Chief Risk Officer.

The President, officers and staff of the Bank, in the discharge of their offices, are responsible solely to the Bank and may not recognise any other authority. The members are obligated to respect the international character of this obligation. Moreover, the Bank, its President, officers and staff may not interfere in the

political affairs of any members nor be influenced in their decisions by the political character of any member.

Ordinary Resources and Special Fund Resources

Operations of the Bank consist of ordinary operations financed from ordinary resources ("**Ordinary Resources**") and special operations financed from special fund resources ("**Special Fund Resources**").

Ordinary Resources include (i) the authorised capital stock of the Bank, comprising paid-in and callable shares of its members, (ii) funds raised by the Bank through borrowing or other means, (iii) funds received in the repayment of loans and guarantees, as returns on equity investments or from other types of financing as may be determined by the Board of Governors, (iv) income derived from loans or guarantees made from the above-mentioned funds and (v) any other funds or income received from the Bank which are not Special Fund Resources.

Special Fund Resources are (i) funds accepted by the Bank for inclusion in any special fund (a "**Special Fund**"), (ii) funds received in respect of loans or guarantees and proceeds of any equity investments financed from the resources of a Special Fund, (iii) income derived from the investment of resources of a Special Fund and (iv) any other resources placed at the disposal of a Special Fund. Special Funds must serve the purpose and come within the functions of the Bank and may only be used under terms and conditions consistent with such. Ordinary Resources and Special Fund Resources may separately finance elements of the same project or programme. The two types of resources, however, must be held, used, committed, invested or otherwise disposed of entirely separately from each other. In no circumstances may Ordinary Resources be charged with, or used to discharge, losses or liabilities arising out of Special Fund Resources. The Bank must adopt special rules and regulations for the establishment, administration and use of each Special Fund. To date, the Bank has established one Special Fund: the AIIB Project Preparation Special Fund.

Financial Instruments

To implement the Bank's purpose, the Bank may provide or facilitate financing to any member, or any agency, instrumentality or political subdivision of a member, or any entity operating in the territory of a member, as well as to international or regional agencies or entities concerned with the economic development of Asia. In limited circumstances, and subject to a Super Majority Vote, the Bank may also provide assistance to other recipients, provided such assistance (i) serves the purpose and comes within the functions of the Bank and is in the interest of the Bank's membership and (ii) is of a type of assistance that the Bank is permitted to provide pursuant to Article 11(2) of the Articles of Agreement.

The Bank offers both sovereign-backed financing and non-sovereign-backed financing. The Bank may offer a range of financial products, including loans, equity investments and guarantees of loans for economic development (either as primary or secondary obligor). The Bank may also deploy Special Fund Resources, technical assistance and other types of financing as may be determined by the Board of Governors.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, as amended and/or supplemented by the relevant Pricing Supplement, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described elsewhere in this Base Prospectus.

1. INTRODUCTION

(a) Programme

Asian Infrastructure Investment Bank (the "**Issuer**") has established a global medium term note programme (the "**Programme**") for the issuance of notes from time to time (the "**Notes**").

(b) Pricing Supplement

Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of a pricing supplement (the "**Pricing Supplement**") which supplements these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as amended and/or supplemented and/or replaced by the relevant Pricing Supplement. In the event of any inconsistency between these Conditions and the relevant Pricing Supplement, the relevant Pricing Supplement shall prevail.

(c) Agency Agreement

The Notes are the subject of a fiscal agency agreement dated on or around 18 December 2019, as amended, supplemented and/or restated from time to time, (the "**Agency Agreement**") between the Issuer and Citibank, N.A., London Branch as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and paying agent (together with the Fiscal Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes) and transfer agent (the "**Transfer Agent**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes). In these Conditions references to the "**Agents**" are to the Registrar, the Paying Agents, the Calculation Agent and the Transfer Agent and any reference to an "**Agent**" is to any one of them.

(d) Deed of Covenant

The Notes will have the benefit of a deed of covenant originally executed and delivered by the Issuer on 18 December 2019, as amended, supplemented and/or restated from time to time (the "**Deed of Covenant**").

(e) The Notes

The Notes may be issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**"). All subsequent references in these Conditions to "**Notes**" are to the Notes which are the subject of the relevant Pricing Supplement. Copies of the relevant Pricing Supplement for Notes that are listed on the official list of the Luxembourg Stock Exchange (the "**Stock Exchange**") and admitted to trading on the regulated market of the Stock Exchange may be obtained from the website of the Stock Exchange.

(f) Summaries

Certain provisions of these Conditions are summaries of the Agency Agreement and the Deed of Covenant and are subject to their detailed provisions. Noteholders and the holders

of the related interest coupons, if any, (the "**Couponholders**" and the "**Coupons**", respectively) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. Copies of the Agency Agreement and the Deed of Covenant are available for inspection by Noteholders during normal business hours at the Specified Offices (as defined below) of the Fiscal Agent, the initial Specified Offices of which are set out in the Agency Agreement.

2. INTERPRETATION

(a) Definitions

In these Conditions the following expressions have the following meanings:

"**Accrual Yield**" has the meaning given in the relevant Pricing Supplement.

"**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Pricing Supplement.

"**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Pricing Supplement.

"**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (a) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (b) if no such recommendation has been made, or in the case of an Alternative Rate, the Independent Adviser determines is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or
- (c) if no such recommendation has been made, or in the case of an Alternative Rate, the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (d) if the Independent Adviser determines that no such industry standard is recognised or acknowledged, the Independent Adviser determines to be appropriate.

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 6(e)(ii) (*Benchmark replacement*) is customary in market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) in the Specified Currency.

"**Amortised Face Amount**" shall be calculated as provided in Condition 9(b) (*Early Redemption Amounts*).

"Benchmark Event" means:

- (a) the relevant Reference Rate has ceased to be published on the Relevant Screen Page because such benchmark has ceased to be calculated or administered; or
- (b) a public statement is made by the administrator of the relevant Reference Rate that it has ceased, or will, by a specified date within the following six months, cease, publishing such Reference Rate either permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Reference Rate); or
- (c) a public statement is made by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (d) a public statement is made by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate will, by a specified date within the following six months, be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or
- (e) a public statement is made by the supervisor of the administrator of the relevant Reference Rate (as applicable) that, in the view of such supervisor, (A) such Reference Rate is no longer representative of an underlying market or (B) the methodology to calculate such Reference Rate has materially changed; or
- (f) it has or will, by a specified date within the following six months, become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011 (as amended or superseded), if applicable).

"Business Day" means:

- (a) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre;
- (b) in relation to any sum payable in Renminbi, a day on which commercial banks and foreign exchange markets are open for business in Hong Kong, China and on which commercial banks in Hong Kong, China are open for business and settlement of Renminbi payments; or
- (c) in relation to any sum payable in a currency other than euro or Renminbi, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre.

"Broken Amount" means, in respect of any Notes, the amount (if any) that is specified in the relevant Pricing Supplement.

"Business Day Convention", in relation to any particular date, has the meaning given in the relevant Pricing Supplement and, if so specified in the relevant Pricing Supplement, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following

day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

- (c) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) **"FRN Convention", "Floating Rate Convention" or "Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred *provided, however, that:*
 - (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
 - (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (e) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention.

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

"Calculation Amount" has the meaning given in the relevant Pricing Supplement.

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

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

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

number of days in such Regular Period and (2) the number of Regular Periods in any year;

- (b) if "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if "**30/360**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x (T_2 - Y_1)] + [30x (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

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

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

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

$$\text{Day Count Fraction} = \frac{[360x (T_2 - Y_1)] + [30x (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

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

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

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

$$\text{Day Count Fraction} = \frac{[360x (T_2 - Y_1)] + [30x (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

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

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

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

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

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

"**Early Redemption Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement.

"**EURIBOR**" means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Euro zone interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the European Money Markets Institute (or any person which takes over administration of that rate).

"**Euros**" or "**EUR**" means the lawful currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

"**Exercise Notice**" has the meaning given in Condition 9(d) (*Redemption at the option of Noteholders*).

"**Extraordinary Resolution**" has the meaning given in the Agency Agreement.

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

"First Interest Payment Date" means the date specified in the relevant Pricing Supplement.

"Fixed Coupon Amount" has the meaning given in the relevant Pricing Supplement.

"Holder", in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 3(d) (*Title to Registered Notes*).

"Independent Adviser" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 6(e) (*Benchmark replacement*).

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

"Interest Commencement Date" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Pricing Supplement.

"Interest Determination Date" has the meaning given in the relevant Pricing Supplement.

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

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

"Interest Period" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date.

"ISDA Benchmarks Supplement" means the Benchmarks Supplement (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Pricing Supplement)) published by the International Swaps and Derivatives Association, Inc.

"ISDA Definitions" means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Pricing Supplement) and, if specified in the relevant Pricing Supplement, as supplemented by the ISDA Benchmarks Supplement, as published by the International Swaps and Derivatives Association, Inc.).

"Issue Date" has the meaning given in the relevant Pricing Supplement.

"Issue Price" has the meaning given in the relevant Pricing Supplement.

"LIBOR" means, in respect of any specified currency and any specified period, the interest rate benchmark known as the London interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with

the requirements from time to time of ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate).

"Margin" has the meaning given in the relevant Pricing Supplement.

"Maturity Date" has the meaning given in the relevant Pricing Supplement.

"Maximum Redemption Amount" has the meaning given in the relevant Pricing Supplement.

"Minimum Redemption Amount" has the meaning given in the relevant Pricing Supplement.

"Noteholder", in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 3(d) (*Title to Registered Notes*).

"Optional Redemption Amount" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Pricing Supplement.

"Optional Redemption Date" has the meaning given in the relevant Pricing Supplement.

"Payment Business Day" means:

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

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

"Principal Financial Centre" means, in relation to any currency, the principal financial centre for that currency *provided, however*, that in relation to euro, it means a city in which banks have access to TARGET2.

"Rate of Interest" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Pricing Supplement or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Pricing Supplement.

"Redemption Amount" means, as appropriate, the Early Redemption Amount, the Final Redemption Amount, or the Optional Redemption Amount, or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Pricing Supplement.

"Reference Banks" has the meaning given in the relevant Pricing Supplement or, if none, four major banks selected by the Issuer in due course (or an independent investment bank, commercial bank or stockbroker appointed by the Issuer) in the market that is most closely connected with the Reference Rate.

"Reference Rate" means LIBOR, the London Interbank Bid Rate, the London Interbank Mean Rate, EURIBOR, SONIA, SOFR or €STR or, if one or more of the aforementioned reference rates are not available, such generally-accepted floating rate benchmark for the relevant currency as may be specified in the relevant Pricing Supplement.

"Regular Period" means:

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

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

"Relevant Financial Centre" has the meaning given in the relevant Pricing Supplement.

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

- (a) 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
- (b) 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.

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

"Relevant Time" has the meaning given in the relevant Pricing Supplement.

"Renminbi" and **"CNY"** refers to the lawful currency of the People's Republic of China.

"Renminbi Notes" means Notes denominated in Renminbi.

"Reserved Matter" means any proposal (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 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 (other than any change arising from the discontinuation of any interest rate benchmark used to determine the amount of any payment in respect of the Notes), (iv) if a Minimum Rate of Interest and/or a Maximum Rate of Interest or Redemption Amount is shown herein, to reduce any such Minimum Rate of Interest and/or Maximum Rate of Interest, (v) to vary any method of, or basis for, calculating the Early Redemption Amount, the Final Redemption Amount or the Optional Redemption Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution.

"Specified Currency" has the meaning given in the relevant Pricing Supplement.

"Specified Denomination(s)" has the meaning given in the relevant Pricing Supplement.

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

"Specified Period" has the meaning given in the relevant Pricing Supplement.

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

"Talon" means a talon for further Coupons.

"TARGET Settlement Day" means any day on which TARGET2 is open for the settlement of payments in euro.

"TARGET2" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"U.S. dollar" and **"USD"** refer to the lawful currency of the United States.

"Zero Coupon Note" means a Note specified as such in the relevant Pricing Supplement.

(b) **Interpretation**

In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Pricing Supplement as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Pricing Supplement as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;

- (v) any reference to interest shall be deemed to include any amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being "outstanding" shall be construed in accordance with the Agency Agreement;
- (vii) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Pricing Supplement, but the relevant Pricing Supplement gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes; and
- (viii) any reference to the Agency Agreement or the Deed of Covenant shall be construed as a reference to the Agency Agreement or the Deed of Covenant, as the case may be, as amended and/or supplemented up to and including the Issue Date of the Notes.

3. FORM, DENOMINATION, TITLE AND TRANSFER

(a) **Bearer Notes**

Bearer Notes are issued in the Specified Denomination(s) with Coupons and, if specified in the relevant Pricing Supplement, with Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.

Registered Notes may not be exchanged for Bearer Notes, or conversely.

(b) **Title to Bearer Notes**

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

(c) **Registered Notes**

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

(d) **Title to Registered Notes**

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

(e) **Ownership**

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

(f) **Transfers of Registered Notes**

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

(g) **Registration and delivery of Individual Note Certificate**

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

(h) **No charge**

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

(i) **Closed periods**

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

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

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

(k) **Currency of Payment**

If any payment in respect of the Notes is payable in a Specified Currency other than U.S. dollars that is no longer used by the government of the country issuing such currency for the payment of public and private debts or used for settlement of transactions by public institutions in such country or within the international banking community, or in a Specified Currency that is not expected to be available, when any payment on the Notes is due, as a result of circumstances beyond the control of the Issuer, the Issuer shall be entitled to satisfy its obligations in respect of such payment by making such payment in U.S. dollars on the basis of the noon buying rate in U.S. dollars in the City of New York for wire transfers for such Specified Currency as published by the Federal Reserve Bank

of New York on the second Business Day prior to such payment or, if such rate is not available on such second Business Day, on the basis of the rate most recently available prior to such second Business Day. Any payment made under such circumstances in such other currency or U.S. dollars will constitute valid payment and will not constitute a default in respect of the Notes. For the purpose of this Condition 3(k), "**Business Day**" means a day on which the Federal Reserve Bank of New York is open for business in New York City.

4. **STATUS**

The payment obligations of the Issuer represented by the Notes constitute direct and unsecured obligations of the Issuer ranking at least *pari passu* with any present or future indebtedness of the Issuer represented by any unsubordinated and unsecured notes or bonds other than obligations mandatorily preferred by law applying generally.

The Notes are not obligations of any government.

5. **FIXED RATE NOTE PROVISIONS**

(a) **Application**

This Condition 5 is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable.

(b) **Accrual of interest**

The Notes bear interest from and including the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments – Bearer Notes*) and Condition 11 (*Payments – Registered Notes*). Each Note will cease to bear interest from and excluding the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 5 (after as well as before judgment) until, and excluding, whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after that on which the Fiscal Agent has notified the Noteholders that, upon further presentation of the Note (or relative Individual Note 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.

(c) **Fixed Coupon Amount**

If so specified in the relevant Pricing Supplement, the amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount or Broken Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount or Broken Amount in respect of the relevant Specified Denomination.

(d) **Calculation of interest amount**

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

6. **FLOATING RATE NOTE PROVISIONS**

(a) **Application**

This Condition 6 is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable.

(b) **Accrual of interest**

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

(c) **Screen Rate Determination**

(i) If Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

- (A) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (B) if linear interpolation is specified as applicable in respect of an Interest Period in the relevant Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:
 - (1) one rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
 - (2) the other rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period;

provided, however, that if no rate is available for a period of time next shorter or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate;

- (C) if several Reference Rates appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, the Calculation Agent will determine the arithmetic mean thereof;
- (D) if, in the case of (A) above, such rate does not appear on that page or, in the case of (B) or (C) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable:

- (1) the Issuer (or an independent investment bank, commercial bank or stockbroker appointed by the Issuer) will request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market for an amount that is representative for a single transaction in that market at that time; and
 - (2) the Calculation Agent will determine the arithmetic mean of such quotations; and
- (E) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Issuer (or an independent investment bank, commercial bank or stockbroker appointed by the Issuer), at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time, and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined;

provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period. Where a different Margin, Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, then the Margin, Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin, the Maximum Rate of Interest or the Minimum Rate of Interest relating to that last preceding Interest Period.

- (ii) If Screen Rate Determination is specified as "Applicable – Overnight Rate" in the relevant Pricing Supplement and the "Overnight Reference Rate" is specified as Compounded Daily SONIA, then the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as specified in the relevant Pricing Supplement) the Margin.

As used herein:

"**Compounded Daily SONIA**" will be, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on each Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the nearest one ten-thousandth of a percentage point, with 0.00005 being rounded upwards:

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

where:

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

"**d_o**", for any Interest Period, is the number of London Banking Days in the relevant Interest Period;

"**i**", for any Interest Period, is a series of whole numbers from one to **d_o**, each representing the relevant London Banking Days in chronological order from, and including, the first London Banking Day in such Interest Period to, but excluding, the last London Banking Day in such Interest Period;

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

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

"**Observation Period**" means, for any Interest Period, the period from, and including, the date which is "**p**" London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding the date which is "**p**" London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling "**p**" London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" means the whole number specified as the Observation Look-back Period in the relevant Pricing Supplement, such number representing a number of London Banking Days which shall not be less than five without the prior agreement of the Calculation Agent;

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

"**SONIA_{i-pLBD}**" means the SONIA rate for the London Banking Day falling "**p**" London Banking Days prior to the relevant London Banking Day "**i**".

For the avoidance of doubt, the formula for the calculation of Compounded Daily SONIA only compounds the SONIA rate in respect of any London Banking Day. The SONIA rate applied to a day that is a non-London Banking Day will be taken by applying the SONIA rate for the previous London Banking Day but without compounding.

If, in respect of any London Banking Day in the relevant Observation Period, the Calculation Agent determines that the SONIA rate is not available or has not been published by the relevant authorised distributors, then the Calculation Agent will determine such SONIA rate as being:

- (i) (A) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on such day in the relevant Observation Period; plus
(B) the mean of the spread of the SONIA rate to the Bank Rate over the previous five London Banking Days on which a SONIA rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those spreads) and lowest spread (or, if there

is more than one lowest spread, one only of those spreads) to the Bank Rate; or

- (ii) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, the SONIA rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors).

Notwithstanding the paragraphs above, if the Bank of England publishes guidance as to: (i) how the SONIA rate is to be determined; or (ii) any rate that is to replace the SONIA rate, the Calculation Agent shall, subject to receiving written instructions from the Issuer and to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA rate for the purpose of the Notes for so long as the SONIA rate is not available or has not been published by the authorised distributors. To the extent that any amendments or modifications to the Conditions or the Agency Agreement are required in order for the Calculation Agent to follow such guidance in order to determine the Rate of Interest, the Calculation Agent shall have no obligation to act until such amendments or modifications have been made in accordance with the Conditions or the Agency Agreement.

In the event that the Rate of Interest cannot be determined by the Calculation Agent in accordance with the foregoing paragraphs of this Condition 6(c)(ii), then the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin, the Maximum Rate of Interest or the Minimum Rate of Interest relating to the relevant Interest Period in place of the Margin, the Maximum Rate of Interest and/or the Minimum Rate of Interest (as the case may be) relating to that last preceding Interest Period); or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (including applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period).

If the Notes become due and payable in accordance with Condition 13 (*Events of Default*), then the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Pricing Supplement, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Notes remain outstanding, be that determined on such date.

- (iii) If Screen Rate Determination is specified as "Applicable – Overnight Rate" in the relevant Pricing Supplement and:
 - (A) the "Overnight Reference Rate" is specified as Compounded Daily SOFR, then the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SOFR plus or minus (as indicated in the relevant Pricing Supplement) the Margin; or
 - (B) the "Overnight Reference Rate" is specified as Weighted Average SOFR, then the Rate of Interest for each Interest Period will, subject as provided below, be Weighted Average SOFR plus or minus (as indicated in the relevant Pricing Supplement) the Margin.

As used herein:

"**Compounded Daily SOFR**" will be, with respect to an Interest Period, the rate of return of a daily compound interest investment (with SOFR as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on each Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the nearest one ten-thousandth of a percentage point, with 0.00005 being rounded upwards:

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

"**Weighted Average SOFR**" will be, in relation to any Interest Period, the arithmetic mean of "SOFR_i" in effect during such Interest Period (each such U.S. Government Securities Business Day, "i"), and will be calculated by the Calculation Agent on each Interest Determination Date by multiplying the relevant "SOFR_i" by the number of days such "SOFR_i" is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Period.

For these purposes:

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

"**d_o**", for any Interest Period, is the number of U.S. Government Securities Business Days in the relevant Interest Period;

"**i**", for any Interest Period, is a series of whole numbers from one to d_o, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in such Interest Period;

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

"**SOFR_i**" means, for any U.S. Government Securities Business Day "i":

- (i) where "Lag" is specified in the relevant Pricing Supplement as the Observation Method, the SOFR in respect of such U.S. Government Securities Business Day;
- (ii) where "Lock-Out" is specified in the relevant Pricing Supplement as the Observation Method:
 - (A) if such U.S. Government Securities Business Day is a SOFR Reset Date, SOFR in relation to the U.S. Government Securities Business Day immediately preceding such SOFR Reset Date; and
 - (B) if such U.S. Government Securities Business Day is not a SOFR Reset Date (being a U.S. Government Securities Business Day falling in the Cut-Off Period), SOFR in relation to the U.S. Government Securities Business Day immediately preceding the last SOFR Reset Date in such Interest Period;

"**SOFR_{i-pUSBD}**" means, the SOFR rate for the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i";

"p" means:

- (i) where "Lag" is specified in the relevant Pricing Supplement as the Observation Method, the number of U.S. Government Securities Business Days included in the Observation Look-back Period specified in the relevant Pricing Supplement (or, if no such number is specified, five U.S. Government Securities Business Days); and
- (ii) where "Lock-out" is specified in the relevant Pricing Supplement as the Observation Method, zero;

"**USBD**" means any U.S. Government Securities Business Day;

"**Federal Reserve's Website**" means the website of the Board of Governors of the Federal Reserve System currently at <http://www.federalreserve.gov>, or any successor website;

"**New York City Banking Day**" means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York City;

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

"**OBFR**" or "**Overnight Bank Funding Rate**" means, in relation to any New York City Banking Day (the "**OBFR Determination Date**"), the daily overnight bank funding rate as published by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator), at or around 5:00 pm (New York City time) on the New York Federal Reserve's Website on the next succeeding New York City Banking Day for trades made on such OBFR Determination Date;

"**OBFR Index Cessation Effective Date**" means, in relation to an OBFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of the daily Overnight Bank Funding Rate) ceases to publish the daily Overnight Bank Funding Rate or the date as of which the daily Overnight Bank Funding Rate may no longer be used;

"**OBFR Index Cessation Event**" means the occurrence of one or more of the following events:

- (i) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the daily Overnight Bank Funding Rate) announcing that it has ceased or will cease to publish or provide the daily Overnight Bank Funding Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide a daily Overnight Bank Funding Rate;
- (ii) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the daily Overnight Bank Funding Rate) has ceased or will cease to provide the daily Overnight Bank Funding Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide the daily Overnight Bank Funding Rate; or

- (iii) a public statement by a U.S. regulator or other U.S. official sector entity prohibiting the use of the daily Overnight Bank Funding Rate that applies to, but need not be limited to, all swap transactions, including existing swap transactions;

"SIFMA" means the Securities Industry and Financial Markets Association or any successor thereto;

"SOFR" means:

- (i) in relation to any U.S. Government Securities Business Day (the "**SOFR Determination Date**"), the daily Secured Overnight Financing Rate published at or around 5:00 p.m. (New York City time) on the New York Federal Reserve's Website on the next succeeding U.S. Government Securities Business Day for trades made on such SOFR Determination Date;
- (ii) if the rate specified in paragraph (A) above is not so published, and a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date have not both occurred, then the daily Secured Overnight Financing Rate in respect of the last U.S. Government Securities Business Day for which such rate was published on the New York Federal Reserve's Website;
- (iii) if the rate specified in paragraph (A) above is not so published, and a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date have both occurred, then "SOFR" in relation to such SOFR Determination Date shall be the rate that was recommended as the replacement for the daily Secured Overnight Financing Rate by the Federal Reserve Board and/or the Federal Reserve Bank of New York or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a replacement for the daily Secured Overnight Financing Rate (which rate may be produced by the Federal Reserve Bank of New York or other designated administrator, and which rate may include any adjustments or spreads); provided, however, that, if no such rate has been recommended within one U.S. Government Securities Business Day of the SOFR Index Cessation Effective Date, then:
 - (A) subject to paragraph (B) below, "SOFR" in relation to each SOFR Determination Date falling on or after the SOFR Index Cessation Effective Date shall be equal to the rate determined in accordance with (A) or (B) above (as applicable) but as if:
 - (1) references in this Condition 6(c)(iii) to "U.S. Government Securities Business Day" were to "New York City Banking Day" but so that, in the case of the Interest Period in which the SOFR Index Cessation Effective Date occurred:
 - (aa) for the purposes of determining Compounded Daily SOFR, "d_o" shall be construed so that it means the aggregate of (x) the number of U.S. Government Securities Business Days in such Interest Period up to (but excluding) the SOFR Index Cessation Effective Date and (y) the number of New York City Banking Days in such Interest Period from (and including) the SOFR Index Cessation Effective Date, and "i" shall be construed accordingly; and

- (bb) for the purposes of determining Weighted Average SOFR, "Weighted Average SOFR" shall be construed so that it means the arithmetic mean of (x) SOFR_i in effect for each U.S. Government Securities Business Day in such Interest Period up to (but excluding) the SOFR Index Cessation Effective Date and (y) SOFR_i in effect for each New York City Banking Day in such Interest Period from (and including) the SOFR Index Cessation Effective Date, and the definition of "Weighted Average SOFR" shall be construed accordingly;
 - (2) references to "daily Secured Overnight Financing Rate" were to the daily Overnight Bank Funding Rate;
 - (3) references to "SOFR Index Cessation Event" were references to "OBFR Index Cessation Event"; and
 - (4) references to "SOFR Index Cessation Effective Date" were references to "OBFR Index Cessation Effective Date"; and
- (B) if the rate specified in paragraph (A) above is not so published and an OBFR Index Cessation Event and an OBFR Index Cessation Effective Date have both occurred, then, in relation to each SOFR Determination Date falling on or after the later of the SOFR Index Cessation Effective Date and the OBFR Index Cessation Effective Date, "**SOFR**" shall be equal to the rate determined in accordance with (i) above but as if:
- (1) references in this Condition 6(c)(iii) to "U.S. Government Securities Business Day" were to "New York City Banking Day" but so that, in the case of the Interest Period in which the SOFR Index Cessation Effective Date occurred:
 - (aa) for the purposes of determining Compounded Daily SOFR, "d₀" shall be construed so that it means the aggregate of (x) the number of U.S. Government Securities Business Days in such Interest Period up to (but excluding) the SOFR Index Cessation Effective Date and (y) the number of New York City Banking Days in such Interest Period from (and including) the SOFR Index Cessation Effective Date, and "i" shall be construed accordingly; and
 - (bb) for the purposes of determining Weighted Average SOFR, "Weighted Average SOFR" shall be construed so that it means the arithmetic mean of (x) SOFR_i in effect for each U.S. Government Securities Business Day in such Interest Period up to (but excluding) the SOFR Index Cessation Effective Date and (y) SOFR_i in effect for each New York City Banking Day in such Interest Period from (and including) the SOFR Index Cessation Effective Date, and the definition of "Weighted Average SOFR" shall be construed accordingly; and

- (2) the reference in paragraph (i) above to the "daily Secured Overnight Financing Rate published at or around 5:00 p.m. (New York City time) on the New York Federal Reserve's Website on the next succeeding U.S. Government Securities Business Day for trades made on such SOFR Determination Date" is a reference to the short-term interest rate target set by the Federal Open Market Committee, as published on the Federal Reserve's Website and as prevailing on such SOFR Determination Date, or if the Federal Open Market Committee has not set a single rate, then to the midpoint of the short-term interest rate target range set by the Federal Open Market Committee, as published on the Federal Reserve's Website and as prevailing on such SOFR Determination Date (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range, rounded, if necessary, to the nearest second decimal place with 0.005 being rounded upwards);

"SOFR Index Cessation Effective Date" means, in relation to a SOFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of the daily Secured Overnight Financing Rate) ceases to publish the daily Secured Overnight Financing Rate, or the date as of which the daily Secured Overnight Financing Rate may no longer be used;

"SOFR Index Cessation Event" means the occurrence of one or more of the following events:

- (i) a public statement by the Federal Reserve Bank of New York (or a successor administrator of the daily Secured Overnight Financing Rate) announcing that it has ceased or will cease to publish or provide the daily Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide a daily Secured Overnight Financing Rate;
- (ii) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or a successor administrator of the daily Secured Overnight Financing Rate) has ceased or will cease to provide the daily Secured Overnight Financing Rate permanently or indefinitely, provided that, at that time there is no successor administrator that will continue to publish or provide the daily Secured Overnight Financing Rate; or
- (iii) a public statement by a U.S. regulator or other U.S. official sector entity prohibiting the use of the daily Secured Overnight Financing Rate that applies to, but need not be limited to, all swap transactions, including existing swap transactions;

"SOFR Reset Date" means, in relation to any Interest Period, each U.S. Government Securities Business Day during such Interest Period, other than any U.S. Government Securities Business Day in the period from (and including) the day following the Interest Determination Date to (but excluding) the corresponding Interest Payment Date (such period, the **"Cut-Off Period"**); and

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

- (iv) The Issuer may at any time, following consultation with an independent financial institution of international repute or another independent financial adviser experienced in the international debt capital markets (in each case appointed by the Issuer at its own expense), specify such changes to paragraph (iii) of the definition of "SOFR" set out in Condition 6(c)(iii) as it determines are reasonably necessary to ensure the proper operation and comparability to the Overnight Reference Rate of rates determined in accordance with such paragraph, which changes shall apply to the Notes for all future Interest Periods (subject to the subsequent operation of Condition 6(c)(iii)). Promptly following the determination of such change, the Issuer shall give notice thereof to the Fiscal Agent, the Calculation Agent and the Noteholders in accordance with Condition 19 (*Notices*). No consent of the Noteholders shall be required in connection with effecting the relevant changes, including for the execution of any documents or the taking of other steps by the Issuer or any of the parties to the Agency Agreement (if required).
- (v) If Screen Rate Determination is specified as "Applicable" in the relevant Pricing Supplement and the "Reference Rate" is specified as Compounded Daily €STR, then the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as specified in the relevant Pricing Supplement) the Margin.

As used herein:

"**Compounded Daily €STR**" will be, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the relevant Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the nearest one ten-thousandth of a percentage point, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{€STR}_{i-5TBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

"**d**" means the number of calendar days in the relevant Interest Period;

"**d₀**", for any Interest Period, means the number of TARGET Business Days (as defined below) in the relevant Interest Period;

"**i**" means a series of whole numbers from one to d₀, each representing the relevant TARGET Business Day in chronological order from, and including, the first TARGET Business Day in the relevant Interest Period;

"**TARGET Business Day**" or "**TBD**" means a series of whole numbers from one to d₀, each representing the relevant TARGET Business Day in chronological order from, and including, the first TARGET Business Day in the relevant Interest Period;

"**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;

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

"**Observation Period**" means, in respect of an Interest Period, the period from, and including, the date falling five TARGET Business Days prior to the relevant

Reset Date (and the first Observation Period shall begin on and include the date falling five TARGET Business Days prior to the Interest Commencement Date) and ending on, but excluding, the date falling five TARGET Business Days prior to the Interest Payment Date for such Interest Period (or the date falling five TARGET Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**€STR Reference Rate**" means, in respect of any TARGET Business Day, a reference rate equal to the daily euro short-term rate ("**€STR**") for such TARGET Business Day as provided by the European Central Bank, as administrator of such rate (or any successor administrator of such rate), on the website of the European Central Bank currently at <http://www.ecb.europa.eu>, or any successor website officially designated by the European Central Bank (the "**ECB's Website**") (in each case, on or before 9:00 a.m., Central European Time, on the TARGET Business Day immediately following such TARGET Business Day); and

"**€STRI-5TBD**" means the €STR Reference Rate for the TARGET Business Day (being a TARGET Business Day falling in the relevant Observation Period) falling five TARGET Business Days prior to the relevant TARGET Business Day "i".

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

If the €STR Reference Rate does not appear on a TARGET Business Day as specified above, and both an €STR Index Cessation Event and an €STR Index Cessation Effective Date have occurred, the rate for each TARGET Business Day in the relevant Observation Period occurring on or after such €STR Index Cessation Effective Date will be determined as if references to €STR were references to the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for €STR by the European Central Bank (or any successor administrator of €STR) and/or by a committee officially endorsed or convened by the European Central Bank (or any successor administrator of €STR) for the purpose of recommending a replacement for €STR (which rate may be produced by the European Central Bank or another administrator) (the "**ECB Recommended Rate**"), provided that, if no such rate has been recommended before the end of the first TARGET Business Day following the date on which the €STR Index Cessation Event occurs, then the rate for each TARGET Business Day in the relevant Observation Period occurring on or after such €STR Index Cessation Effective Date will be determined as if references to "€STR" were references to the Eurosystem Deposit Facility Rate, the rate on the deposit facility, which banks may use to make overnight deposits with the Eurosystem, as published on the ECB's Website (the "**EDFR**") on such TARGET Business Day plus the arithmetic mean of the daily difference between the €STR Reference Rate and the EDFR for each of the 30 TARGET Business Days immediately preceding the date on which the €STR Index Cessation Event occurs (the "**EDFR Spread**").

Provided further that, if both an ECB Recommended Rate Index Cessation Event (as defined below) and an ECB Recommended Rate Index Cessation Effective Date (as defined below) subsequently occur, then the rate for each TARGET Business Day in the relevant Observation Period occurring on or after that ECB Recommended Rate Index Cessation Effective Date will be determined as if references to "€STR" were references to the EDFR on such TARGET Business Day plus the arithmetic mean of the daily difference between the ECB Recommended Rate and the EDFR for each of the 30 TARGET Business Days immediately preceding the date on which the ECB Recommended Rate Index Cessation Event occurs.

In the event that the Interest Rate cannot be determined in accordance with the foregoing provisions (i) the Interest Rate shall be that determined at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the Interest Rate shall be determined as if references to €STR for each TARGET Business Day in the relevant Observation Period occurring on or after the €STR Index Cessation Effective Date were references to the latest published ECB Recommended Rate or, if EDFR is published on a later date than the latest published ECB Recommended Rate, the latest published EDFR plus the EDFR Spread.

If the Notes become due and payable as provided in Condition 13 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Pricing Supplement, be deemed to be the date on which the Notes became due and payable (with corresponding adjustments being deemed to be made to the Compounded Daily €STR formula) and the Interest Rate on the Notes shall, for so long as any such Notes remain outstanding, be the Interest Rate determined on such date.

Where:

"€STR Index Cessation Event" means the occurrence of one or more of the following events:

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

"€STR Index Cessation Effective Date" means, in respect of an €STR Index Cessation Event, the first date on which €STR is no longer provided by the European Central Bank (or any successor administrator of €STR);

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

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

similar insolvency or resolution authority over the administrator of the ECB Recommended Rate, which states that the administrator of the ECB Recommended Rate has ceased or will cease to provide the ECB Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the ECB Recommended Rate; and

"ECB Recommended Rate Index Cessation Effective Date" means, in respect of an ECB Recommended Rate Index Cessation Event, the first date on which the ECB Recommended Rate is no longer provided.

(d) **ISDA Determination**

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

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Pricing Supplement;
- (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Pricing Supplement;
- (iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on LIBOR for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Pricing Supplement; and
- (iv) if linear interpolation is specified as applicable in respect of an Interest Period in the relevant Pricing Supplement, the rate for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates based on the relevant Floating Rate Option, where:
 - (A) one rate shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
 - (B) the other rate shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period,

provided, however, that if there is no rate available for a period of time next shorter than the length of the relevant Interest Period or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

(e) **Benchmark replacement**

Notwithstanding the foregoing provisions of this Condition 6, if the Issuer (in consultation with the Calculation Agent (or the person specified in the relevant Pricing Supplement as the party responsible for calculating the Rate of Interest and the Interest Amount(s))) determines that a Benchmark Event has occurred, when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to a relevant Reference Rate, then the following provisions shall apply:

- (i) the Issuer shall use reasonable endeavours to appoint an Independent Adviser to determine (with the Issuer's agreement) a Successor Rate or, alternatively, if the Independent Adviser and the Issuer agree that there is no Successor Rate, an alternative rate (the "**Alternative Benchmark Rate**") and, in either case, an alternative screen page or source (the "**Alternative Relevant Screen Page**") and an Adjustment Spread (if applicable) no later than three (3) business days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (the "**Interest Determination Cut-off Date**") for the purposes of determining the Rate of Interest applicable to the Notes for future Interest Periods (subject to the subsequent operation of this Condition 6(e)).

In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Agents or the Noteholders for any determination made by it pursuant to this Condition 6(e);

- (ii) the Alternative Benchmark Rate shall be such rate as the Independent Adviser and the Issuer acting in good faith agree has replaced the relevant Reference Rate in customary market usage for the purposes of determining floating rates of interest in respect of securities denominated in the Specified Currency, or, if the Independent Adviser and the Issuer agree that there is no such rate, such other rate as the Independent Adviser and the Issuer acting in good faith agree is most comparable to the relevant Reference Rate, and the Alternative Relevant Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate;
- (iii) if the Issuer is unable to appoint an Independent Adviser, or if the Independent Adviser and the Issuer cannot agree upon, or cannot select a Successor Rate or an Alternative Benchmark Rate and an Alternative Relevant Screen Page prior to the Interest Determination Cut-off Date in accordance with sub-paragraph (ii) above, then the Issuer (acting in good faith and in a commercially reasonable manner) may determine which (if any) rate has replaced the relevant Reference Rate in customary market usage for purposes of determining floating rates of interest in respect of securities denominated in the Specified Currency, or, if it determines that there is no such rate, which (if any) rate is most comparable to the relevant Reference Rate, and the Alternative Benchmark Rate shall be the rate so determined by the Issuer, and the Alternative Relevant Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate;

provided, however, that if this sub-paragraph (iii) applies and the Issuer is unable or unwilling to determine an Alternative Benchmark Rate and an Alternative Relevant Screen Page prior to the Interest Determination Date relating to the next succeeding Interest Period in accordance with this sub-paragraph (iii), then the Reference Rate applicable to such Interest Period shall be equal to the Reference Rate for a term equivalent to the Relevant Interest Period published on the Relevant Screen Page as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the relevant Margin relating to the Interest Period, in place of the margin relating to that last preceding Interest Period). For the avoidance of doubt, this paragraph shall apply to the next succeeding Interest Period, and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 6(e);

- (iv) if a Successor Rate or an Alternative Benchmark Rate and an Alternative Relevant Screen Page is determined in accordance with the preceding provisions, such Successor Rate or Alternative Benchmark Rate and Alternative Relevant Screen Page shall be the benchmark and the Relevant Screen Page in relation to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 6(e));

- (v) if the Issuer, following consultation with the Independent Adviser and acting in good faith, determines (A) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Benchmark Rate and (B) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Benchmark Rate for each subsequent determination of a relevant Rate of Interest and Interest Amount(s) by reference to such Successor Rate or Alternative Benchmark Rate;
- (vi) if a Successor Rate or an Alternative Benchmark Rate and/or an Adjustment Spread is determined in accordance with the above provisions, then the Independent Adviser (with the Issuer's agreement) or the Issuer (as the case may be) may also specify changes to the Day Count Fraction, the Relevant Screen Page, the Business Day Convention, the Interest Determination Date and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate or the Alternative Benchmark Rate and/or the Adjustment Spread, which changes shall apply to the Notes for all future Interest Periods (as applicable) (subject to the subsequent operation of this Condition 6(e)); and
- (vii) the Issuer shall promptly following the determination of any Successor Rate or Alternative Benchmark Rate and Alternative Relevant Screen Page and Adjustment Spread (if any) give notice thereof and of any changes pursuant to sub-paragraph (vi) above to the Calculation Agent, the Fiscal Agent and the Noteholders in accordance with Condition 19 (*Notices*).

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

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Pricing Supplement, then the Rate of Interest shall in no event be greater than the Maximum Rate of Interest or be less than the Minimum Rate of Interest so specified. Unless otherwise stated in the relevant Pricing Supplement, the Minimum Rate of Interest shall be deemed to be zero.

(g) **Calculation of Interest Amount**

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

(h) **Calculation of other amounts**

If the relevant Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Pricing Supplement.

(i) **Publication**

The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required

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

(j) **Liability of the Calculation Agent**

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

7. **ZERO COUPON NOTE PROVISIONS**

(a) **Application**

This Condition 7 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Pricing Supplement as being applicable.

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

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

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

(c) **Interest**

Where a Zero Coupon Note 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 Accrual Yield (as described in Condition 9(b)(ii) (*Early Redemption Amounts*)).

8. **DUAL CURRENCY PROVISIONS**

(a) **Application**

This Condition 8 is applicable to the Notes only if the Dual Currency Note Provisions are specified in the relevant Pricing Supplement as being applicable.

(b) **Rate of Interest**

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to an exchange rate, the rate or amount of interest payable shall be determined in the manner specified in the relevant Pricing Supplement.

9. **REDEMPTION AND PURCHASE**

(a) **Scheduled redemption**

Unless previously redeemed, or purchased and cancelled as provided in this Condition 9, the Notes will be redeemed at their Final Redemption Amount (which may be par or such other fixed amount as agreed by the Issuer and the relevant Dealer(s) and as specified in the published Pricing Supplement) on the Maturity Date, subject as provided in Condition 10 (*Payments – Bearer Notes*) and Condition 11 (*Payments – Registered Notes*), as applicable.

(b) **Early Redemption Amounts**

(i) With respect to Notes other than Zero Coupon Notes, the Early Redemption Amount payable in respect of any such Note, upon it becoming due and payable as provided in Condition 13 (*Events of Default*), shall be the Final Redemption Amount unless otherwise specified herein.

(ii) With respect to Zero Coupon Notes:

(A) the Early Redemption Amount payable upon any such Note becoming due and payable as provided in Condition 13 (*Events of Default*) shall be the Amortised Face Amount (calculated as provided below) of such Note unless the Early Redemption Amount is linked to an index and/or a formula, or unless otherwise specified herein.

(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 Accrual Yield (which, if none is specified, 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 it becoming due and payable as provided in Condition 13 (*Events of Default*) 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, to the extent permitted by applicable law, 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 6(b) (*Accrual of interest*).

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 specified herein.

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

(i) If Call Option is specified as being applicable in the relevant Pricing Supplement, the Issuer may, on giving not less than 15 nor more than 30 days' notice, which

may be irrevocable or conditional at the discretion of the Issuer, to the Noteholders (or such other notice period as may be specified in the relevant Pricing Supplement) redeem all or, if so provided, part of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued (if any) to such date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the relevant Pricing Supplement.

- (ii) All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 9(c).
- (iii) In the case of a partial redemption the notice to Noteholders shall also specify the principal amount of Notes drawn and the holder(s) of such Notes to be redeemed, which shall have been drawn in such place and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

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

- (i) *Put Option*: If Put Option is specified in the relevant Pricing Supplement, the Issuer shall, at the option of the holder of any Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified in the relevant Pricing Supplement), redeem such Note on the Optional Redemption Date specified in the relevant Exercise Notice (as defined below) at its amount together (if applicable) with interest accrued (if any) to the date fixed for redemption.
- (ii) *Exercise Notice*: In order to exercise the option contained in Condition 9(d)(i) (*Put Option*), the holder must, not less than 15 nor more than 30 days before the relevant Optional Redemption Date deposit (in the case of a Bearer Note) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of a Registered Note) the Individual Note 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 relevant period. No Note or Coupon so deposited and option so exercised may be withdrawn without the prior consent of the Issuer.

(e) **Purchase**

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

(f) **Cancellation**

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

10. **PAYMENTS – BEARER NOTES**

This Condition 10 is only applicable to Bearer Notes (excluding Renminbi Notes which are separately addressed in Condition 12 (*Payments – Renminbi Notes*)).

(a) **Principal**

Payments of principal shall be made only against presentation and (*provided* that payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by transfer to an account denominated in the currency in which the payment is due (or, if that currency is U.S. dollars, any other account to which U.S. dollars may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.

(b) **Interest**

Payments of interest shall be made only against presentation and (*provided* that payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) above.

(c) **Deductions for unmatured Coupons**

If the relevant Pricing Supplement specifies that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented without all unmatured Coupons relating thereto:

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

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and (*provided* that payment is made in full) surrender of the relevant missing Coupons.

(d) **Unmatured Coupons void**

If the relevant Pricing Supplement specifies that the Floating Rate Note Provisions or the Dual Currency Provisions are applicable, the Issuer, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 9(c) (*Redemption at the option of the Issuer*), Condition 9(d) (*Redemption at the option of Noteholders*) or Condition 13 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

(e) **Payments on business days**

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

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

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

(g) **Partial payments**

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

(h) **Exchange of Talons**

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

(i) **Payments subject to laws**

Payments will be subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws and regulations to which the Issuer or its Agents agree to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

11. **PAYMENTS – REGISTERED NOTES**

This Condition 11 is only applicable to Registered Notes (excluding Renminbi Notes which are separately addressed in Condition 12 (*Payments – Renminbi Notes*)).

(a) **Principal**

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

(b) **Interest**

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

(c) **Payments on business days**

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

(d) **Partial payments**

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

(e) **Record date**

Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Registered Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

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

Payments will be subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws and regulations to which the Issuer or its Agents agree to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements. No commission or expenses shall be charged to the Noteholders in respect of such payments.

12. **PAYMENTS – RENMINBI NOTES**

This Condition 12 shall apply to all Renminbi Notes.

(a) **Payments of Principal and Interest**

Payments of amounts due (whether principal, interest or otherwise) in Renminbi in respect of Renminbi Notes will be made by credit or transfer to an account denominated in that currency and maintained by the payee with a bank in Hong Kong, China and provided further that no payment will be made by transfer to an account in, or by cheque mailed to an address in, the United States.

(b) **Payments of U.S. dollar Equivalent**

Notwithstanding the foregoing, if by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able, or it would be impracticable for it, to satisfy payments of principal or interest (in whole or in part) in respect of the Renminbi Notes when due in Renminbi in Hong Kong, China, the Issuer may, on giving not less than five business days' or more than 30 calendar days' (or such other period as may be specified in the relevant Pricing Supplement) irrevocable notice to Noteholders prior to the due date for payment, settle any such payment (in whole or in part) in U.S. dollars on the due date at the U.S. dollar Equivalent of any such Renminbi denominated amount.

Payments of the U.S. dollar Equivalent of the relevant Renminbi amount, determined in accordance with this Condition 12(b), will be made by credit or transfer to a U.S. dollar account (or any other account to which U.S. dollars may be credited or transferred) specified by the payee or, at the option of the payee, by a U.S. dollar cheque, provided, however, that no payment will be made by transfer to an account in, or by cheque mailed to an address in, the United States.

For the purposes of these Conditions, "**U.S. dollar Equivalent**" means the Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Rate Calculation Date.

For the purpose of this Condition 12:

"**CNHFIX Spot Rate**" means, for a Rate Calculation Date, the CNY/USD official fixing rate, expressed as the amount of CNY per one USD, for settlement in two business days reported by the Treasury Markets Association which appears on the Reuters Screen Page CNHFIX at approximately 11.15 a.m. (Hong Kong, China time). In the event that no such quotation appears on the relevant Reuters Screen Page or any successor page or service thereto at the relevant time on the relevant Rate Calculation Date (or, if different, the day on which rates for the Rate Calculation Date would, in the ordinary course, be published or announced by the relevant price source), the Spot Rate will be determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

"**CNY Dealer**" means an independent foreign exchange dealer of international repute active in the CNY exchange market in Hong Kong, China.

"**Governmental Authority**" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong, China.

"**Illiquidity**" means the general CNY exchange market in Hong Kong, China becomes illiquid as a result of which the Issuer cannot obtain sufficient CNY in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two CNY Dealers.

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the Notes in the general CNY exchange market in Hong Kong, China, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after 18 December 2019 and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Issuer to deliver CNY between accounts inside Hong Kong, China or from an account inside Hong Kong, China to an account outside Hong Kong, China or from an account outside Hong Kong, China to an account inside Hong Kong, China, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after 18 December 2019 and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**Rate Calculation Business Day**" means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong, China and in New York City.

"Rate Calculation Date" means the day which is three Rate Calculation Business Days before the due date of the relevant amount under these Conditions.

"Spot Rate" means the CNHFIX Spot Rate or the TRADCNY3 Spot Rate, as specified in the relevant Pricing Supplement.

"TRADCNY3 Spot Rate" means, for a Rate Calculation Date, the spot CNY/USD exchange rate for the purchase of U.S. dollars with Renminbi, for settlement in two business days, in the over-the-counter Renminbi exchange market in Hong Kong, China, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong, China time) on a deliverable basis by reference to the Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to the Reuters Screen Page TRADNDF. If neither rate is available, the Calculation Agent will determine the spot rate at or around 11.00 a.m. (Hong Kong, China time) on the Rate Calculation Date as the most recently available CNY/USD official fixing rate for settlement on the due date for payment reported by The State Administration of Foreign Exchange of the People's Republic of China, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 12 by the Calculation Agent, will (in the absence of gross negligence or wilful default) be binding on the Issuer, the Agents and all Noteholders.

13. **EVENTS OF DEFAULT**

If any of the following events occurs and continues in relation to the Notes (each an **"Event of Default"**):

(a) **Non-Payment**

default in the payment in full of any principal or interest due on any of the Notes and such default continues for a period of 90 days;

(b) **Breach of other obligations**

the Issuer fails to perform any of its other covenants under any of the Notes and such failure continues for a period of 90 days after written notice thereof shall have been given to the Issuer and the Fiscal Agent at the office of the Fiscal Agent by the holders of not less than 25 per cent. in principal amount of all the Notes at the time outstanding; or

(c) **Cross default**

default, as defined in any instrument evidencing, securing or protecting any indebtedness for borrowed money of the Issuer, now or hereafter outstanding and maturing more than one year from the date of its creation, shall happen with respect to more than U.S.\$60,000,000 in aggregate principal amount of such indebtedness, and the maturity of such indebtedness shall have been accelerated so that the same shall have become due and payable prior to the date on which the same would otherwise have become due and payable and such acceleration shall not have been rescinded or annulled,

then, in any such case, the principal of all the Notes then outstanding (if not already due) may be declared to be due and payable on the thirtieth day following written notice given to the Issuer and the Fiscal Agent at its Specified Office by the holders of not less than a majority in principal amount of all the Notes at the time outstanding, unless all Events of Default have been cured prior to the expiration of such 30 days' period. If, at any time after the principal of all the Notes shall have been so declared due and payable and before any judgment or decree for the payment of amounts due thereon shall have been entered, all arrears of interest upon all the Notes and all other sums due in respect thereof, except any principal or interest which shall not have matured or come due by their terms, shall have been duly paid by the Issuer and all other Events of Default hereunder shall have

been cured, the holders of not less than a majority in principal amount of all the Notes then outstanding, by written notice given to the Issuer or the Fiscal Agent at its Specified Office, may rescind such declaration, but no such rescission shall impair any right consequent on any subsequent Event of Default.

14. **PRESCRIPTION**

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

15. **REPLACEMENT OF NOTES AND COUPONS**

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

16. **AGENTS**

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Agents and their initial Specified Offices are listed in the Agency Agreement. The initial Calculation Agent (if any) is specified in the relevant Pricing Supplement. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor fiscal agent or registrar or Calculation Agent and additional or successor paying agents; *provided, however, that:*

- (i) the Issuer shall at all times maintain a paying agent, a fiscal agent and a registrar;
- (ii) if a Calculation Agent is specified in the relevant Pricing Supplement, the Issuer shall at all times maintain a Calculation Agent; and
- (iii) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent and/or a Transfer Agent in any particular place, the Issuer shall maintain a Paying Agent and/or a Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders.

17. **MEETINGS OF NOTEHOLDERS; MODIFICATION AND WAIVER**

(a) **Meetings of Noteholders**

The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any provision of these Conditions. Such a meeting may be convened by Noteholders holding not less than one tenth in principal amount of the Notes

for the time being outstanding. The quorum at any meeting convened to consider an Extraordinary Resolution will be two or more Persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of Reserved Matters, in which case the necessary quorum will be two or more Persons holding or representing not less than three quarters, or at any adjourned meeting not less than one quarter, in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders (whether present or not).

The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than three quarters of the principal amount of the Notes outstanding shall for all purposes be 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.

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**

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

In addition, the parties to the Agency Agreement may agree such modifications to the Agency Agreement and these Conditions as may be required in order to give effect to Condition 6(e) (*Benchmark replacement*) in connection with effecting any Alternative Rate, Successor Rate, Adjustment Spread or related changes referred to in Condition 6(e) (*Benchmark replacement*) without the requirement for the consent or sanction of the Noteholders or Couponholders.

18. **FURTHER ISSUES**

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes provided that, unless the Notes are either (i) not issued with original issue discount, (ii) issued with a *de minimis* amount of original issue discount or (iii) issued in a "qualified reopening" for U.S. federal income tax purposes, such further notes will be issued with a separate CUSIP and ISIN. The Agency Agreement contains provisions for convening a single meeting of the Noteholders of a particular Series and the holders of Notes of other Series.

19. **NOTICES**

(a) **Bearer Notes**

Notices to the Holders of Bearer Notes will be deemed to be validly given if published on the website of the Stock Exchange. Any such notice shall be deemed to have been given on the date of first publication. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Holders of Bearer Notes.

(b) **Registered Notes**

Notices to the Holders of Registered Notes shall be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register and, if the Registered Notes are admitted to trading on the Stock Exchange and it is a requirement of applicable law or regulations, notices to Noteholders will be published on the website of the Stock Exchange. Any such notice shall be deemed to have been given on the fourth day after the date of mailing.

20. **ROUNDING**

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

21. **GOVERNING LAW AND ARBITRATION**

(a) **Governing law**

The Notes and any non-contractual obligations arising out of or in connection with the Notes shall be governed by, and construed in accordance with, English law.

(b) **Arbitration**

- (i) Subject to Condition 21(b)(vii), any dispute, controversy or claim arising out of or relating to the Notes, including the existence, validity, performance, breach or termination thereof (including a dispute regarding non-contractual obligations arising out of or relating to the Notes), shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre under the UNCITRAL Arbitration Rules in force when the Notice of Arbitration is submitted (the "**UNCITRAL Rules**"), as modified by the HKIAC Procedures for the Administration of Arbitration under the UNCITRAL Rules (the "**HKIAC Procedures**"). These dispute resolution provisions shall also be governed by and construed in accordance with English law. Hong Kong law will be the procedural law of any arbitration hereunder.
- (ii) The arbitral tribunal shall consist of three arbitrators. The members of the arbitral tribunal shall be appointed in the manner set out in the UNCITRAL Rules. The appointing authority shall be HKIAC. The seat of the arbitration shall be Hong Kong, China. The language of the arbitration shall be English.
- (iii) Unless otherwise expressly provided in these Conditions, the arbitral tribunal will have no authority to award (a) punitive damages or (b) damages for consequential or indirect losses.
- (iv) The arbitral tribunal will have no authority to award interest in excess of LIBOR then prevailing, and any such awarded interest will be simple interest only. In the event LIBOR is no longer an active interest rate, the Issuer shall elect a suitable replacement interest rate.
- (v) The arbitral tribunal shall not be authorised to grant, and no holder of Notes shall seek from any judicial authority, any interim measures or pre-award or emergency relief against the Issuer, notwithstanding any provisions of the UNCITRAL Rules to the contrary.
- (vi) At the election of the Issuer, any further dispute, controversy or claim which arises out of the Notes shall be consolidated with any ongoing proceedings before

the arbitral tribunal, but no other party shall be joined to, and no other disputes, controversies or claims shall be consolidated with, such on-going proceedings before the arbitral tribunal.

- (vii) Notwithstanding the provisions of this Condition 21(b), nothing contained in the Notes shall operate or be regarded as a waiver, renunciation or other modification by the Issuer of any status, immunities, privileges or exemptions of the Issuer under its Articles of Agreement, all of its basic documents, any applicable law or international practice.

FORM OF PRICING SUPPLEMENT

The Pricing Supplement in respect of each Tranche of Notes will be in the following form, duly completed to reflect the particular terms of the relevant Notes and their issue.

[MiFID II product governance / [Retail investors, professional investors and eligible counterparties 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, professional clients and retail clients each as defined in [Directive 2014/65/EU (as amended, "MiFID II"); EITHER [and (ii) all channels for distribution of the Notes are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]] OR [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice, portfolio management, non-advised sales and pure execution services - subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]. [*Consider any negative target market.*] 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[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.]] / **[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 Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] 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. For the purposes of this provision, the term "**manufacturer**" means the Dealer[s].] [AIIB does not fall under the scope of application of MiFID II. AIIB does not qualify as an "investment firm", "manufacturer" or "distributor" for the purposes of MiFID II.]

[[SFA Notification — *the following legend is to be included if the Notes are intended for distribution in Singapore and are Excluded Investment Products, otherwise appropriate legend to be included.*]

Section 309B(1)(c) Notification — The Notes shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).] [*Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.*]

[PROHIBITION OF SALES TO BELGIAN CONSUMERS - If the 'Prohibition of Sales to Belgian Consumers' is specified as applicable in the applicable Pricing Supplement, the Notes are not intended to be offered, sold or resold, transferred or delivered or otherwise made available to and should not be offered, sold or resold, transferred or delivered or otherwise made available to any individual in Belgium qualifying as a consumer (*consument/consommateur*) within the meaning of Article I.1 of the Belgian Code of Economic Law (*Wetboek van economisch recht / Code de droit économique*), as amended from time to time.]

Pricing Supplement dated [•]

ASIAN INFRASTRUCTURE INVESTMENT BANK

Legal Entity Identifier: 25490065OSV2524LCR32
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

Global Medium Term Note Programme

PART A – CONTRACTUAL TERMS

[This document constitutes the final terms of the Notes described herein (the "**Pricing Supplement**"). Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the "**Conditions**") set forth in the base prospectus dated 18 December 2019 [and the supplement[s] dated [•][and [•]], which [together] constitute[s] a base prospectus (the "**Base Prospectus**"). This document must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. Copies of the Base Prospectus and the Pricing Supplement may be obtained by Noteholders from the Specified Office of the Paying Agent.

[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. | (i) | Series Number: | [•] |
| | (ii) | Tranche Number: | [•] |
| | (iii) | Date on which the Notes will be consolidated and form a single Series: | [Not Applicable]/[The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [currency] [aggregate nominal amount] [interest basis] Notes due [maturity date] issued on [issue date] on [[•]/the Issue Date/the exchange of the Temporary Global Note for the Permanent Global Note, as referred to in paragraph [•] below [which is expected to occur on or about [•]]] |
| 2. | | Specified Currency or Currencies: | [•] |
| 3. | | Aggregate Nominal Amount: | [•] |
| | (i) | Series: | [•] |
| | (ii) | Tranche: | [•] |
| 4. | (i) | Issue Price: | [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [•]] |
| | (ii) | Net Proceeds | [•] |
| 5. | (i) | Specified Denomination(s): | [•] |
| | (ii) | Calculation Amount: | [•] |
| 6. | (i) | Issue Date: | [•] |
| | (ii) | Interest Commencement Date: | [[•]/Issue Date/Not Applicable] |
| 7. | | Maturity Date: | [•] |
| 8. | | Interest Basis: | [[•] per cent. Fixed Rate]/ |
| | | (As referred to under Conditions 5, 6 or 7) | [[[EURIBOR]/ [LIBOR]/ [SONIA]/ [SOFR]/[€STR]][•] +/- [•] per cent. Floating Rate]/ |
| | | | [Zero Coupon]/[Other] |

- (See paragraph [11/12/13] below)
9. Redemption/Payment Basis: [Redemption at par]/[•] per cent. of their nominal amount
[Dual Currency]
(further particulars specified below)
10. Put/Call Options: [Call Option]
[Put Option]
(As referred to under Condition 9) [Not Applicable]
(further particulars specified below)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

11. **Fixed Rate Note Provisions** [Applicable]/[Not Applicable]
(As referred to under Condition 5) *(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Rate(s) of Interest: [•] per cent. per annum payable [on each Interest Payment Date][other frequency] in arrear
- (ii) Interest Payment Date(s): [•] in each [year][other frequency], commencing [in/on] [•]
- (iii) Fixed Coupon Amount(s): [[•] per Calculation Amount / *[insert the following alternative wording for Renminbi Notes]* [Each Fixed Coupon Amount shall be calculated by multiplying the product of the Interest Rate and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005 being rounded upwards.]
- (iv) Broken Amount(s): [[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]]/[Not Applicable]
- (v) Day Count Fraction: [Actual/Actual (ICMA)]
[Actual/Actual ISDA]
(As referred to under Condition 2(a)) [Actual/365 (Fixed)]
[Actual/360]
[30/360]
[[30E/360]/[Eurobond basis]]
[30E/360 (ISDA)]
- (vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]
12. **Floating Rate Note Provisions** [Applicable]/[Not Applicable]
(As referred to under Condition 6) *(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Interest Period(s): As specified in Condition 2(a)/[•]

- (ii) Specified Period: [•]/[Not Applicable] *(only if Floating Rate Convention under (v) below is used)*
- (iii) 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]
- (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]
(As referred to under Condition 2(a))
- (vi) Additional Business Centre(s): [•]/[Not Applicable]
(As referred to under Condition 2(a))
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination]/[ISDA Determination]
(As referred to under Conditions 6(c) or 6(d))
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s): [Calculation Agent]/[Not Applicable]/[Other]
- (ix) If Screen Rate Determination:
(As referred to under Condition 6(c))
- Reference Rate: [[•] month
[LIBOR]/[EURIBOR]/[SONIA]/[SOFR]/[Compounded Daily €STR][•]]
- Overnight Reference Rate: [Compounded Daily SONIA/Compounded Daily SOFR/Weighted Average SOFR/Not Applicable]
- Observation Method: [Lag/Lock-out/Not Applicable]
- Observation Look-back Period: [[•]/Not Applicable]

(In the case of Compounded Daily SONIA: "p" London Banking Days, where "p" shall not be less than five without the prior agreement of the Calculation Agent)
- Interest Determination Date(s): [•]
- Relevant Screen Page: [•]
- Relevant Time: [•]
- Relevant Financial Centre: [•]
- Reference Bank(s): [•]/[Not Applicable]

- (x) If ISDA Determination:
(As referred to under Condition 6(d))
Floating Rate Option: [•]
Designated Maturity: [•]
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 (specify for each short or long interest period)]
- (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 (ICMA)]
[Actual/Actual (ISDA)]
(As referred to under Condition 2(a)) [Actual/365 (Fixed)]
[Actual/360]
[30/360]
[[30E/360]/[Eurobond basis]]
[30E/360 (ISDA)]
- (xvi) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions. [•]
13. **Zero Coupon Note Provisions** [Applicable]/[Not Applicable]
(As referred to under Condition 7) *(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Accrual Yield: [•] per cent. per annum
- (ii) Day Count fraction: [Actual/Actual (ICMA)]
[Actual/Actual (ISDA)]
(As referred to under Condition 2(a)) [Actual/365 (Fixed)]
[Actual/360]
[30/360]
[[30E/360]/[Eurobond basis]]
[30E/360 (ISDA)]
14. **Dual Currency Note Provisions** [Applicable]/[Not Applicable]
- (i) Rate of Exchange/method of calculating Rate of Exchange [•]
- (ii) Party, if any, responsible for calculating the principal and/or interest due (if not the [Agent]) [•]

- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable [•]
- (iv) Person at whose option Specified Currency(ies) is/are payable [•]
- (v) Day Count Fraction: [•]

PROVISIONS RELATING TO REDEMPTION

15. **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) of each Note: [[•] per Calculation Amount]
 - (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: [[•] per Calculation Amount]
 - (b) Maximum Redemption Amount: [[•] per Calculation Amount]
 - (iv) Notice periods:
 - (a) Minimum notice period: [[•] days]

(To be (i) not less than 15 days, (ii) not more than 30 days or (iii) such other notice period as may be specified here. See Condition 9(c)(i) (Redemption at the option of the Issuer))
 - (b) Maximum notice period: [[•] days]

(To be (i) not more than 30 days or (ii) such other notice period as may be specified here. See Condition 9(c) (Redemption at the option of the Issuer))
16. **Put Option** [Applicable]/[Not Applicable]
- (i) Optional Redemption Date(s): [[•]
 - (ii) Notice Period: [•]

(To be (i) not less than 15 days, (ii) not more than 30 days or (iii) such other notice period as may be specified here. See Condition 9(d) (Redemption at the option of Noteholders))
 - (iii) Optional Redemption Amount(s): [[•] per Calculation Amount]
17. **Final Redemption Amount of each Note** [•] per Calculation Amount
18. **Early Redemption Amount** [[•] per Calculation Amount]/[as set out in the Conditions]

Early Redemption Amount(s) per Calculation Amount payable on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):

19. **Redemption Amount** [[•] per Calculation Amount]/[Not Applicable]
- (if different from the Final Redemption Amount, the Optional Redemption Amount, or the Early Termination Amount)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

20. Form of Notes: **[Bearer Notes:**
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes on [•] days' notice]
- Exchange Date in respect of Temporary Global Note: [•]
- [Permanent Global Note exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]]
- [Registered Notes:**
- [Registered Global Note exchangeable for Individual Note Certificates on [•] days' notice/at any time/in the limited circumstances described in the Registered Global Note]
- [Unrestricted Registered Global Note registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg]
- [Restricted Registered Global Note registered in the name of a nominee for DTC]
21. New Global Note: [Yes]/[No]
22. Classic Global Note: [Yes]/[No]
23. New Safekeeping Structure: [Yes]/[No]
24. Additional Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable/give details. Note that this paragraph relates to the date of payment, and not the end dates of interest periods for the purposes of calculating the amount of interest, to which sub-paragraph 12(vi) relates]/[•]

25. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [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]
26. Redenomination: [Not Applicable]/[The following provisions apply:[•]]
27. Spot Rate: [Not Applicable] / [Specify one of the following in the case of Renminbi Notes only [CNHFIX Spot Rate / TRADCNY3 Spot Rate]]
28. Other terms: [Not applicable]/[•]

DISTRIBUTION

29. Method of distribution: [Syndicated]/[Non-syndicated]
30. If syndicated, names of Dealers: [Not Applicable]/[•]
31. Date of [Subscription] Agreement: [•]
32. Lead Manager: [Not Applicable]/[•]
33. Stabilisation [Manager(s)] (if any): [Not Applicable]/[•]
34. If non-syndicated, name of relevant Dealer: [Not Applicable]/[•]
35. U.S. Selling Restrictions: [Reg. S Compliance Category 1; TEFRA D/TEFRA C/TEFRA not applicable] [Rule 144A]
36. Prohibition of Sales to Belgian Consumers: [Applicable]/[Not applicable]
37. Additional Selling Restrictions: [Not applicable]/[•]
38. Total commission and concession: [•] per cent. of the Aggregate Nominal Amount
39. TEFRA: [TEFRA C]/[TEFRA D]/[TEFRA not applicable]
40. Relevant Benchmark[s]: [EURIBOR / LIBOR / SONIA / SOFR] is provided by [administrator legal name][repeat as necessary]. As at the date hereof, [[administrator legal name][appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation/[As far as the Issuer is aware, as at the date hereof, [specify benchmark] does not fall within the scope of the Benchmarks Regulation]/ [As far as the Issuer is aware, the transitional provisions in Article 51 of Regulation (EU) 2016/1011, as amended apply, such that [name of administrator] is not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition,

endorsement or equivalence)]/ [Not
Applicable]

Signed on behalf of:

Asian Infrastructure Investment Bank

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [The Luxembourg Stock Exchange]/[Other]
- (ii) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the [regulated market of the Luxembourg Stock Exchange]/[•] with effect from [•]]/[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the [regulated market] of [Luxembourg Stock Exchange]]/[•] with effect from [•]]/[Not Applicable]

(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)

2. RATINGS OF THE NOTES:

Ratings of the Notes: [[The Notes to be issued have been rated [have been/are expected to be] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]]:

[Moody's Investors Service Singapore Pte. Ltd.: [•]]

[S&P Global Ratings Hong Kong Limited: [•]]

[Other Rating Agencies: [•]]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating)

(Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be (i) issued by a credit rating agency established in the EEA and registered under the CRA Regulation, or (ii) issued by a credit rating agency which is not established in the EEA but will be endorsed by a credit rating agency which is established in the EEA and registered under the CRA Regulation or (iii) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation, should be disclosed in this section of the Pricing Supplement.)

3. OPERATIONAL INFORMATION

- (i) ISIN: [•]
- (ii) Common Code: [•]
- (iii) CUSIP: [•]

- (iv) CFI: [•]/[Not Applicable][*See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN*]
- (If the CFI is not required, requested or available, it should be specified to be "Not Applicable")*
- (v) FISN: [•]/[Not Applicable][*See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN*]
- (If the FISN is not required, requested or available, it should be specified to be "Not Applicable")*
- (vi) New Global Note intended to be held in a manner which would allow Eurosystem eligibility: [Not Applicable]
- [[Yes. Note that the designation "yes" means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper 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 satisfaction of the Eurosystem eligibility criteria.]
- [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. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]
- (vi) Any clearing system(s) other than DTC, Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): [•]/[Not Applicable]
- [*Name(s), numbers and address(es)*]
- (vii) Delivery: Delivery [against/free of] payment
- (viii) Names and addresses of additional Paying Agent(s) (if any): [•]
- (ix) Name of Calculation Agent [•]/[Not Applicable]

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Clearing System Accountholders

In relation to any Tranche of Notes represented by a Bearer Global Note, references in the Conditions to "Noteholder" are references to the bearer of the relevant Bearer Global Note which, for so long as the Bearer Global Note is held by a depository or a common depository, in the case of a CGN, or a common safekeeper, in the case of an NGN for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depository or common depository or, as the case may be, common safekeeper.

In relation to any Tranche of Notes represented by a Registered Global Note, references in the Conditions to "Noteholder" are references to the person in whose name such Registered Global Note is for the time being registered in the register maintained by the Registrar in relation to the Notes (the "**Register**") which, for so long as the Registered Global Note is held by or on behalf of a depository or a common depository or a common safekeeper for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depository or common depository or common safekeeper or a nominee for that depository or common depository or common safekeeper.

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, DTC and/or any other relevant clearing system as being entitled to an interest in a Bearer Global Note or a Registered Global Note (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg, DTC and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer to the holder of such Bearer Global Note or Registered Global Note and in relation to all other rights arising under such Bearer Global Note or Registered Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Bearer Global Note or Registered Global Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg, DTC and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by a Bearer Global Note or Registered Global Note, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the holder of such Bearer Global Note or Registered Global Note.

Conditions applicable to Global Notes

Each Bearer Global Note and Registered Global Note may contain provisions which modify the Conditions as they apply to the Bearer Global Note or Registered Global Note. The following is a summary of certain of those provisions:

Payments: All payments in respect of a Bearer Global Note or Registered Global Note which, according to the Conditions, require presentation and/or surrender of a Note or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Bearer Global Note or Registered Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of a (i) Bearer Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered pro rata in the records of Euroclear, Clearstream, Luxembourg, DTC and/or such other relevant clearing system (as the case may be) and (ii) Registered Global Note, the Issuer shall procure that the payment is entered into pro rata in the records of Euroclear and Clearstream Luxembourg and/or such other relevant clearing system (as the case may be).

Payment Business Day: In the case of a Bearer Global Note, or a Registered Global Note, shall be, (a) if the currency of payment is euro, (i) a TARGET Settlement Day and a day on which banks are open for presentation and payment of bearer debt securities and for dealings in foreign currencies and (ii) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre or (b) if the currency of payment is not euro, (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies and (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

Payment Record Date: Each payment in respect of a Registered Global Note will be made to the person shown as the Noteholder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment where "**Clearing System Business Day**" means a day on which each clearing system for which the Registered Global Note is being held is open for business.

Exercise of put option: In order to exercise the option contained in Condition 9(d) (*Redemption at the option of Noteholders*) the bearer of the Permanent Global Note or the holder of a Registered Global Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option: In connection with an exercise of the option contained in Condition 9(c) (*Redemption at the option of the Issuer*) in relation to some, but not all, of the Notes, the Permanent Global Note or Registered Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear, Clearstream, Luxembourg and/or DTC (as applicable) (to be reflected in the records of Euroclear, Clearstream, Luxembourg and/or DTC as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 19 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or a Registered Global Note and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are), or the Registered Global Note is, deposited with a common depositary, a custodian or nominee for Euroclear and/or Clearstream, Luxembourg and/or DTC and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or DTC and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 19 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or DTC and/or any other relevant clearing system, except that, for so long as such Notes are admitted to trading on the regulated market of the Stock Exchange and it is a requirement of applicable law or regulations, such notices shall also be published on the website of the Stock Exchange (www.bourse.lu).

FORMS OF THE NOTES AND TRANSFER RESTRICTIONS RELATING TO U.S. SALES

Bearer Notes

Each Tranche of Bearer Notes will initially be either a Temporary Global Note, without interest coupons, or a Permanent Global Note, without interest coupons, in each case as specified in the relevant Pricing Supplement. Each Temporary Global Note or, as the case may be, Permanent Global Note which is intended to be issued in CGN form, as specified in the relevant Pricing Supplement, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Bearer Global Note which is intended to be issued in NGN form, as specified in the relevant Pricing Supplement, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

On 13 June 2006, the European Central Bank (the "ECB") announced that Notes in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ESCB credit operations" of the Eurosystem, provided that certain other criteria are fulfilled. At the same time, the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

In the case of each Tranche of Bearer Notes, the relevant Pricing Supplement will also specify whether TEFRA C or TEFRA D is applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither TEFRA C nor TEFRA D is applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the Pricing Supplement specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then on or after the day following the expiry of 40 days after the date of issue of the Temporary Global Note (the "**Exchange Date**"), the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note (which expression has the meaning given in the Agency Agreement) in accordance with the Agency Agreement to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (a) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (b) receipt by the Fiscal Agent of a certificate or certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system dated not earlier than the Exchange Date and in substantially the form set out in Schedule 3 (*Form of Euroclear/Clearstream, Luxembourg Certification*) of the programme manual dated on or around 18 December 2019 entered into in connection with the Programme (the "**Programme Manual**").

The principal amount of Notes represented by the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and received by the Fiscal Agent; *provided, however*, that in no circumstances shall the principal amount of Notes represented by the Permanent Global Note exceed the initial principal amount of Notes represented by the Temporary Global Note.

If:

- (a) the Permanent Global Note has not been delivered or the principal amount thereof increased in accordance with paragraph 5 (*Delivery of Permanent Global Note or Definitive Notes*) of the Temporary Global Note by 5.00 p.m. (London time) on the seventh day after the bearer has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or
- (b) the Temporary Global Note (or any part hereof) has become due and payable in accordance with the Conditions or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon

has not been made to the bearer in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note, including the obligation to deliver a Permanent Global Note will become void at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant). The Deed of Covenant has been deposited at the Specified Office of the Fiscal Agent and a copy of it may be inspected at the Specified Office of each Paying Agent.

The Permanent Global Note will become exchangeable, in whole but not in part only and at the request of the bearer of the Permanent Global Note, for Bearer Notes in definitive form ("**Definitive Notes**"):

- (a) on the expiry of such period of notice as may be specified in the Pricing Supplement; or
- (b) at any time, if so specified in the Pricing Supplement; or
- (c) if the relevant Pricing Supplement specifies "in the limited circumstances described in the Permanent Global Note", then if either of the following events occurs:
 - (i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
 - (ii) any of the circumstances described in Condition 13 (*Events of Default*) occurs.

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

If:

- (a) Definitive Notes have not been delivered in accordance with paragraph 5 (*Delivery of Definitive Notes*) above by 5.00 p.m. (London time) of the Permanent Global Note on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) the Permanent Global Note was originally issued in exchange for part only of a temporary global note representing the Notes and such temporary global note becomes void in accordance with its terms; or
- (c) the Permanent Global Note (or any part hereof) has become due and payable in accordance with the Conditions or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on the date on which such temporary global note becomes void (in the case of (b) above) or at 5.00 p.m. (London time) on such due date (in the case of (c) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant). The Deed of Covenant has been deposited at the Specified Office of the Fiscal Agent and a copy of it may be inspected at the Specified Office of each Paying Agent.

Temporary Global Note exchangeable for Definitive Notes

If the Pricing Supplement specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specify that TEFRA C is applicable or that neither TEFRA C nor TEFRA D are

applicable, then on or after the Exchange Date, the Issuer shall procure the delivery of Definitive Notes in accordance with the Agency Agreement with Coupons and Talons (if so specified in the Pricing Supplement) attached and in an aggregate principal amount equal to the principal amount of Notes represented by the Temporary Global Note to the bearer of the Temporary Global Note against presentation and surrender of the Temporary Global Note to or to the order of the Fiscal Agent.

If the Pricing Supplement specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the D Rules are applicable, then on or after the Exchange Date, the Issuer shall procure the delivery of Definitive Notes in accordance with the Agency Agreement with Coupons and Talons (if so specified in the Pricing Supplement) attached against:

- (a) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (b) receipt by the Fiscal Agent of a certificate or certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system dated not earlier than the Exchange Date and in substantially the form set out in Schedule 3 (*Form of Euroclear/Clearstream, Luxembourg Certification*) of the Programme Manual.

The Definitive Notes so delivered from time to time shall be in an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and received by the Fiscal Agent; *provided, however*, that in no circumstances shall the aggregate principal amount of Definitive Notes so delivered exceed the initial principal amount of Notes represented by the Temporary Global Note.

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

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Temporary Global Note for Definitive Notes; or
- (b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Conditions or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant). The Deed of Covenant has been deposited at the Specified Office of the Fiscal Agent and a copy of it may be inspected at the Specified Office of each Paying Agent.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Pricing Supplement specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

- (a) on the expiry of such period of notice as may be specified in the relevant Pricing Supplement; or
- (b) at any time, if so specified in the relevant Pricing Supplement; or

- (c) if the relevant Pricing Supplement specifies "in the limited circumstances described in the Permanent Global Note", then if either of the following events occurs:
 - (i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
 - (ii) any of the circumstances described in Condition 13 (*Events of Default*) occurs.

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

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Conditions or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant).

Rights under Deed of Covenant

Under the Deed of Covenant, persons shown in the records of DTC, Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Note or a Permanent Global Note which becomes void will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Temporary Global Note or Permanent Global Note became void, they had been the bearers of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of DTC, Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Legend concerning United States persons

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

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

Registered Notes

Each Tranche of Registered Notes will be represented by:

- (a) interests in an unrestricted Registered Global Note (in the case of Notes initially sold in offshore transactions in reliance on Regulation S ("**Unrestricted Registered Global Notes**")); and/or interests in a restricted Registered Global Note (in the case of Notes sold to QIBs in reliance on

Rule 144A or another exemption from registration under the Securities Act ("**Restricted Registered Global Notes**")); or

- (b) in the form of individual Note certificates in registered form ("**Individual Note Certificates**"), in each case as specified in the relevant Pricing Supplement.

Each Unrestricted Registered Global Note will either be: (a) in the case of a Note which is not to be held under the NSS, registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Unrestricted Registered Global Note will be deposited on or about the issue date with the common depository and will be exchangeable in accordance with its terms; or (b) in the case of a Note to be held under the NSS, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Unrestricted Global Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg and will be exchangeable for Individual Note Certificates in accordance with its terms.

Each Restricted Registered Global Note will be registered in the name of Cede & Co. (or such other entity as is specified in the applicable Pricing Supplement) as nominee for DTC and will be deposited on or about the issue date with the custodian for DTC (the "**DTC Custodian**") specified in the applicable Pricing Supplement. Beneficial interests in Registered Notes represented by a Restricted Registered Global Note may only be held through DTC at any time. The Restricted Registered Global Note (and any Individual Note Certificates issued in exchange therefor) will be subject to certain restrictions on transfer as described below under "*Transfer Restrictions*".

Registered Global Notes exchangeable for Individual Note Certificates

If the relevant Pricing Supplement specifies the form of Notes as being "Individual Note Certificates", then the Notes will at all times be in the form of Individual Note Certificates issued to each Noteholder in respect of their respective holdings.

If the relevant Pricing Supplement specifies the form of Notes as being "Registered Global Note exchangeable for Individual Note Certificates", then the Notes will initially be in the form of one or more Registered Global Notes which will be exchangeable in whole, but not in part, for Individual Note Certificates:

- (a) on the expiry of such period of notice as may be specified in the relevant Pricing Supplement; or
- (b) at any time, if so specified in the relevant Pricing Supplement; or
- (c) if the relevant Pricing Supplement specifies "in the limited circumstances described in the Registered Global Note", then if either of the following events occurs:
 - (i) in the case of any Restricted Registered Global Note held by or on behalf of DTC, if DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depository with respect to such Restricted Registered Global Note or DTC ceases to be a "clearing agency" registered under the Exchange Act or if at any time DTC is no longer eligible to act as such, and the Issuer is unable to locate a qualified successor within 90 days of receiving notice or becoming aware of such ineligibility on the part of DTC;
 - (ii) in the case of any Unrestricted Registered Global Note held by or on behalf of Euroclear, Clearstream, Luxembourg or any other relevant clearing system, if Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or
 - (iii) in any case, if any of the circumstances described in Condition 13 (*Events of Default*) occurs.

Whenever the Registered Global Note is to be exchanged for Individual Note Certificates, such Individual Note Certificates shall be issued in an aggregate principal amount equal to the principal amount of the

Registered Global Note within five business days of the delivery, by or on behalf of the registered holder of the Registered Global Note to the Registrar of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Registered Global Note at the Specified Office of the Registrar.

In addition, whenever a Restricted Registered Global Note is to be exchanged for Individual Note Certificates, each person having an interest in the Restricted Registered Global Note must provide the Registrar (through the relevant clearing system) with a certificate given by or on behalf of the holder of each beneficial interest in the Restricted Registered Global Note stating either (i) that such holder is not transferring its interest at the time of such exchange or (ii) that the transfer or exchange of such interest has been made in compliance with the transfer restrictions applicable to the Notes and that the person transferring such interest reasonably believes that the person acquiring such interest is a QIB and is obtaining such beneficial interest in a transaction meeting the requirements of Rule 144A. Individual Note Certificates issued in exchange for interests in the Restricted Registered Global Note will bear the legends and be subject to the transfer restrictions set out under "*Transfer Restrictions*".

Any such exchange will be effected in accordance with the provisions of the fiscal agency agreement dated on or around 18 December 2019 between the Issuer, Citibank, N.A., London Branch as fiscal agent, the Registrar, and the other agents named therein (the "**Agency Agreement**") and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If:

- (a) Individual Note Certificates have not been delivered by 5.00 p.m. (London time) on the thirtieth day after they are due to be issued and delivered in accordance with the terms of the Registered Global Note; or
- (b) any of the Notes represented by a Registered Global Note (or any part of it) has become due and payable in accordance with the Conditions or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the holder of the Registered Global Note in accordance with the terms of the Registered Global Note on the due date for payment,

then the Registered Global Note (including the obligation to deliver Individual Note Certificates) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the holder of the Registered Global Note will have no further rights thereunder (but without prejudice to the rights which the holder of the Registered Global Note or others may have under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear, Clearstream, Luxembourg, DTC and/or any other relevant clearing system as being entitled to an interest in a Registered Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Registered Global Note became void, they had been the holders of Individual Note Certificates in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear, Clearstream, Luxembourg, DTC and/or any other relevant clearing system.

Conditions applicable to the Notes

The Conditions applicable to any Individual Note Certificate will be endorsed on that Individual Note Certificate and will consist of the Conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Pricing Supplement which completes those terms and conditions.

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

Transfer Restrictions

Notes represented by an interest in an Unrestricted Registered Global Note may be transferred subject to the transfer restrictions contained in the legend appearing on the face of such Registered Global Note, as described below.

Notes represented by an interest in a Restricted Registered Global Note may also be transferred to a person who wishes to hold such Notes in the form of an interest through an Unrestricted Registered Global Note, but only upon receipt by the Registrar of a written certification from the transferor (i) while the Note is a restricted security, to the effect that such transfer is being made in accordance with Regulation S and that such interest will be held immediately thereafter only through Euroclear or Clearstream, Luxembourg; or (ii) after the Note is no longer a restricted security to the effect that such transfer or exchange is being made in accordance with Regulation S, or that the Note being exchanged or transferred is not a restricted security (as defined in Rule 144(a)(3) under the Securities Act).

Any interest in either a Restricted Registered Global Note or an Unrestricted Registered Global Note that is transferred to a person who takes delivery in the form of an interest in the other Registered Global Note will, upon transfer, cease to be an interest in such Registered Global Note and become an interest in the other Registered Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to an interest in such other Registered Global Note.

Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions as set out below.

"THE NOTES REPRESENTED HEREBY (THE "NOTES") HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES LAW OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT."

As a result of the following restrictions, purchasers of Notes in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

By accepting delivery of this Base Prospectus, each purchaser of Registered Notes will be deemed to have acknowledged, represented and agreed, as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

- (a) that either: (i) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware, and each beneficial owner of such Notes has been advised, that any sale to it may be made in reliance on Rule 144A or (ii) it is purchasing the Notes in an offshore transaction in reliance on Regulation S;
- (b) that, unless it holds an interest in an Unrestricted Registered Global Note and is a person located outside the United States, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so, prior to the date which is one year after the later of the last issue date for the Series and the last date on which the Issuer or an affiliate of the Issuer was the owner of such Notes, only (i) to the Issuer or any affiliate thereof, (ii) inside the United States to a person whom the seller and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (iii) in an offshore transaction in compliance with Regulation S, (iv) pursuant to any other available exemption from the registration requirements of the Securities Act (if available) or (v) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. State securities laws;
- (c) it will, and will require each subsequent Noteholder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (b) above, if then applicable;

- (d) that Notes initially offered to QIBs will be represented by one or more Restricted Registered Global Notes and that Notes offered in an offshore transaction in reliance on Regulation S will be represented by one or more Unrestricted Registered Global Notes;
- (e) it understands that any Restricted Registered Global Note and any Restricted Individual Note Certificate (as defined below) will bear a legend to the following effect, unless the Issuer determines otherwise in accordance with applicable law:

"THE NOTES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 AS AMENDED (THE "**SECURITIES ACT**") OR ANY SECURITIES LAW OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING THE NOTES REPRESENTED HEREBY, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES REPRESENTED HEREBY MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND ONLY (1) PURSUANT TO RULE 144A UNDER THE SECURITIES ACT TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR A PERSON PURCHASING FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), (4) TO THE ISSUER OR ITS AFFILIATES OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144A FOR REALES OF THE NOTE.

THIS NOTE AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH NOTES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THIS NOTE TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO REALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS NOTE SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS NOTE AND ANY NOTES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).";

- (f) it acknowledges that the Unrestricted Registered Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THE NOTES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR ANY SECURITIES LAW OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT."; and

- (g) that the Issuer, Registrar, Agents, Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer and the Dealers; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Upon the transfer, exchange or replacement of a Restricted Registered Global Note or a Restricted Individual Note Certificate bearing the above legend, or upon specific request for removal of the legend, the Issuer will deliver only Individual Note Certificates that bear such legend ("**Restricted Individual Note Certificates**") or will refuse to remove such legend, unless there is delivered to the Issuer and the Registrar such satisfactory evidence (which may include a legal opinion) as may reasonably be required by the Issuer that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act. Such transfer restrictions will terminate one year after the relevant issue date provided that any Restricted Global Notes purchased by or on behalf of the Issuer or any of their respective affiliates have been cancelled in accordance with Condition 9(f) (*Cancellation*) or resold solely in reliance on Regulation S.

Book-Entry System

DTC

The Issuer will make an application to DTC for acceptance in its book-entry settlement system of each relevant Tranche of Unrestricted Registered Global Notes and each Tranche of Restricted Registered Global Notes. Restricted Registered Global Notes and Unrestricted Registered Global Notes accepted in the book-entry settlement system of DTC will have a CUSIP number.

The DTC Custodian and DTC will record electronically the principal amount of the Notes represented by an Unrestricted Registered Global Note and a Restricted Registered Global Note held within the DTC system. Clearstream, Luxembourg and Euroclear will hold interests in the Unrestricted Registered Global Note on behalf of their account holders through customers' securities accounts in Clearstream, Luxembourg's or Euroclear's respective names on the books of their respective depositaries, which in turn will hold such interests in the Unrestricted Registered Global Note in customers' securities accounts in the depositaries' names on the books of DTC. Investors may hold their interests in the Restricted Registered Global Note directly through DTC, if they are participants in DTC, or indirectly through organisations which are participants in DTC.

Payments of the principal of, interest on and any other amounts payable under each Registered Global Note registered in the name of DTC's nominee will be made to, or to the order of, its nominee as the registered Noteholder of such Registered Global Note. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective interests in the principal amount of the relevant Registered Global Note as shown on the records of DTC or the nominee. The Issuer also expects that payments by DTC participants to owners of interests in such Registered Global Note held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. None of the Issuer, the Registrar, the Fiscal Agent, any Transfer Agent or any Paying Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such ownership interests.

While a Registered Global Note is lodged with DTC or its custodian, Notes represented by Individual Note Certificates will not be eligible for clearing or settlement through DTC, Clearstream, Luxembourg or Euroclear.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping,

administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Transfers of Interests in Registered Global Notes

Transfers of interests in Registered Global Notes will be in accordance with the usual rules and operating procedures of DTC, Euroclear and Clearstream, Luxembourg, as applicable, and the relevant provisions of the Agency Agreement.

The laws of some states of the United States require that certain persons receive individual certificates in respect of their holdings of Notes. Consequently, the ability to transfer interests in a Registered Global Note to such persons will be limited. Because DTC only acts on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Registered Global Note to pledge such interest to persons or entities which do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of an Individual Note Certificate representing such interest.

Subject to compliance with the transfer restrictions applicable to the Notes described above and under "*Subscription and Sale*", cross-market transfers between DTC participants, on the one hand, and Clearstream, Luxembourg or Euroclear account holders, on the other, will be effected in DTC in accordance with DTC rules and procedures and on behalf of Clearstream, Luxembourg or (as the case may be) Euroclear by its respective depository. However, such cross-market transactions will require delivery of instructions to Clearstream, Luxembourg or (as the case may be) Euroclear by the counterparty in such system in accordance with its rules and procedures and within its established deadlines. Clearstream, Luxembourg or (as the case may be) Euroclear will, if the transaction meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf by delivering or receiving beneficial interests in the relevant Registered Global Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream, Luxembourg account holders and Euroclear account holders may not deliver instructions directly to the depositories for Clearstream, Luxembourg or Euroclear.

Because of time zone differences, credits of Notes received in Clearstream, Luxembourg or Euroclear, as a result of a transaction with a DTC participant, will be made during the securities settlement processing day dated the business day following the DTC settlement date and such credits of any transactions in such securities settled during such processing will be reported to the relevant Clearstream, Luxembourg or Euroclear account holder on such business day. Cash received in Clearstream, Luxembourg or Euroclear as a result of sales of Notes by or through a Clearstream, Luxembourg account holder or a Euroclear account holder to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream, Luxembourg or Euroclear cash account only as of the business day following settlement in DTC. Settlement between Euroclear or Clearstream, Luxembourg account holders and DTC participants cannot be made on a delivery versus payment basis. The arrangements for transfer of payments must be established separately from the arrangements for transfer of Notes, the latter being effected on a free delivery basis. The customary arrangements for delivery versus payment between Euroclear and Clearstream, Luxembourg account holders or between DTC participants are not affected.

For a further description of restrictions on the transfer of Notes, see "*Subscription and Sale*" below.

DTC has advised the Issuer that it will take any action permitted to be taken by a Noteholder (including, without limitation, the presentation of Registered Global Notes for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Registered Global Notes are credited, and only in respect of such portion of the aggregate principal amount of the Registered Global Notes as to which such participant or participants has or have given such direction.

However, in certain circumstances, DTC, Euroclear and Clearstream, Luxembourg, as applicable, will exchange the Registered Global Notes for Individual Note Certificates (which will, in the case of Restricted Registered Global Notes, bear the legend set out above under "*Transfer Restrictions*").

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of interests in the Registered Global Notes among participants and account holders of DTC, Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Registrar, the Fiscal Agent, any Transfer Agent and any Paying Agent will have any responsibility for the performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or account holders of their respective obligations under the rules and procedures governing their respective operations.

The terms and conditions applicable to any Definitive Note and any Individual Note Certificate will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" above and the provisions of the relevant Pricing Supplement which completes those terms and conditions.

TAXATION

The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date whether or not such change in law has retroactive effect.

Investors should also note that the appointment by an investor in Notes, or any person through which an investor holds Notes, of a custodian, collection agent or similar person in relation to such Notes in any jurisdiction may have tax implications. Investors should consult their own tax advisers in relation to the tax consequences for them of any such appointment.

Certain Tax Consequences

All payments of principal and interest on the Notes will be subject to any fiscal or other laws and regulations applicable thereto. The Issuer has no obligation to pay, and will not pay, you any additional amounts in respect of the Notes as a result of possible withholding or deduction for taxes pursuant to any such law and/or regulations. Accordingly, the holder will, in the event of any such withholding or deduction, receive less than he or she would have received without such withholding or deduction. See "*Risk Factors—Risks Related to the Notes—Payments under the Notes may be subject to U.S. withholding under the Foreign Account Tax Compliance Act ("FATCA")*".

The Issuer, its assets, property, income and its operations and transactions are exempt from all taxes and customs duties imposed by any of its members. The Issuer is also exempt from any obligation for the payment, withholding or collection of any tax or duty imposed by any of its members.

Investors who are in any doubt as to their position should consult their professional advisers.

SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of Barclays Bank PLC, Goldman Sachs International, HSBC Bank plc and Merrill Lynch International (collectively, the "Arrangers" and/or, as applicable, the "Dealers" which expression shall also include any additional Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes only). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in a dealer agreement originally dated on or around 18 December 2019, as amended, supplemented, novated and/or restated from time to time, (the "Dealer Agreement") and made between the Issuer and the Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold, except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the Code.

Each Dealer (severally and not jointly) has represented and agreed, except as permitted by the Dealer Agreement, that it has not offered and sold, and will not offer or sell Notes of any Tranche (i) within the United States except to persons reasonably believed to be QIBs in reliance on Rule 144A or another applicable exemption from registration under the Securities Act, or (ii) outside the United States except in accordance with Regulation S.

Dealers may arrange for the resale of Notes in registered form to QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A.

United Kingdom

Each Dealer (severally and not jointly) has represented, warranted and agreed that:

- (a) *No deposit-taking*: in relation to any Notes having a maturity of less than one year:
 - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and:
 - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
 - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (B) 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) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any 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; and

- (c) *General compliance*: 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.

Belgium

Other than in respect of Notes for which 'Prohibition of Sales to Belgian Consumers' is specified as 'Not Applicable' in the applicable Pricing Supplement, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a "**Belgian Consumer**") and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended (the "**FIEA**")) and each Dealer (severally and not jointly) has represented and agreed that it has not sold or offered and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

This Base Prospectus has not been registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in the Securities and Futures Act, Chapter 289 of Singapore (the "**Securities and Futures Act**")) pursuant to Section 274 of the Securities and Futures Act, (ii) to a relevant person (as defined in Section 275(2) of the Securities and Futures Act) pursuant to Section 275(1) of the Securities and Futures Act, or any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each as defined in Section 2(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the Securities and Futures Act except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the Securities and Futures Act;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;

- (iv) as specified in Section 276(7) of the Securities and Futures Act; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Any reference to the Securities and Futures Act is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the Securities and Futures Act or any provision in the Securities and Futures Act is a reference to that term as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Hong Kong, China

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that (i) it has not offered or sold and will not offer or sell in Hong Kong, China, by means of any document, any Notes other than: (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong, China and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, China or which do not constitute an offer to the public within the meaning of that Ordinance; and (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong, China or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong, China (except if permitted to do so under the securities laws of Hong Kong, China) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong, China or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

General

Each Dealer (severally and not jointly) has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Pricing Supplement or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Pricing Supplement comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Pricing Supplement or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed "*General*" above.

GENERAL INFORMATION

Other Relationships

The Dealers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities.

The Dealers and their respective affiliates may have performed, and may in the future perform, investment banking, commercial banking and advisory services for the Issuer from time to time for which they have received customary fees and expenses. The Dealers and their respective affiliates may, from time to time, engage in transactions with and perform services for the Issuer in the ordinary course of their business with the Issuer. They may have received or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Dealers and their respective 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. If the Dealers or their respective affiliates have a lending relationship with the Issuer, the Dealers or certain of their affiliates may routinely hedge their credit exposure to the Issuer, consistent with their customary risk management policies. Such exposure may be hedged by entering into transactions that consist of either the purchase of credit default swaps or the creation of short positions in the securities of the Issuer, including potentially a series of Notes. Any such credit default swaps or short positions may affect future trading prices of such Notes. The Dealers and their respective 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.

Authorisations

The execution of all documents associated with the Programme and, subject to the borrowing limits authorised by the Board of Directors of the Issuer from time to time, the creation, issue, sale, execution, and delivery of the Notes has been authorised by resolutions adopted by the Board of Directors of the Issuer or otherwise authorised pursuant to the constitutional documents of the Issuer.

Listing and Admission to Trading

The admission of the Programme to the Official List of the Stock Exchange was granted on or around 18 December 2019. It is expected that each Tranche of Notes which is to be listed on the Official List and admitted to trading on the regulated market of the Stock Exchange will be so admitted to listing and trading upon submission to the Stock Exchange and the regulated market of the relevant Pricing Supplement or Drawdown Prospectus on or around the relevant issue date. The Stock Exchange's regulated market is a regulated market for the purposes of MiFID II. However, Notes issued pursuant to the Programme may be admitted to listing/trading and/or quotation by such other listing authority, stock exchange and/or quotation system other than the Stock Exchange as the Issuer and relevant Dealer(s) may agree or may not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.

Auditor

The audited annual financial statements of the Issuer as at and for the year ended 31 December 2018 have been audited without qualification by PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, China, whose registered address is at 22/F Prince's Building, Central, Hong Kong, China.

Documents on Display

Copies of the following documents may be inspected in electronic form during normal business hours at the Specified Office(s) of the Fiscal Agent for so long as the Notes are outstanding:

- (a) the audited annual financial statements of the Issuer in respect of the year ended 31 December 2018;

- (b) the Agency Agreement;
- (c) the Deed of Covenant;
- (d) the Programme Manual (which contains the forms of the Notes in global and definitive form);
- (e) any supplement or drawdown prospectus published since the most recent Base Prospectus was published and any documents incorporated therein by reference; and
- (f) any Pricing Supplement, save the Pricing Supplement relating to an unlisted Note which will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Paying Agent as to their identity.

This Base Prospectus and the relevant Pricing Supplement for Notes that are listed on the Official List and admitted to trading on the regulated market of the Stock Exchange will be published on the website of the Stock Exchange at *www.bourse.lu*.

Clearing of the Notes

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and International Securities Identification Number (ISIN) for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Pricing Supplement. In addition, an Issuer may make an application for any Notes in registered form to be accepted for trading in book-entry form by DTC. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Pricing Supplement.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium. The address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg. The address of DTC is 55 Water Street, New York, New York 10041, United States of America.

Issue Price

Notes may be issued at any price. The issue price of each Tranche of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions and the issue price of the relevant Notes will be set out in the applicable Pricing Supplement. The Issuer does not intend to provide any post-issuance information in relation to any Notes. In the case of different Tranches of a Series of Notes, the issue price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche.

PRINCIPAL OFFICE OF THE ISSUER

Asian Infrastructure Investment Bank

B-9 Financial Street
Xicheng District
Beijing 100033
People's Republic of China

ARRANGERS

Barclays Bank PLC

5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

Goldman Sachs International

Plumtree Court
25 Shoe Lane
London EC4A 4AU
United Kingdom

HSBC Bank plc

8 Canada Square
London E14 5HQ
United Kingdom

Merrill Lynch International

2 King Edward Street
London EC1A 1HQ
United Kingdom

DEALERS

Barclays Bank PLC

5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

Goldman Sachs International

Plumtree Court
25 Shoe Lane
London EC4A 4AU
United Kingdom

HSBC Bank plc

8 Canada Square
London E14 5HQ
United Kingdom

Merrill Lynch International

2 King Edward Street
London EC1A 1HQ
United Kingdom

FISCAL AGENT AND PAYING AGENT

Citibank, N.A., London Branch

Citigroup Centre
25 Canada Square
Canary Wharf
London E14 5LB
United Kingdom

REGISTRAR AND TRANSFER AGENT

Citibank, N.A., London Branch

Citigroup Centre
25 Canada Square
Canary Wharf
London E14 5LB
United Kingdom

LEGAL ADVISERS

To the Issuer as to English law and United States law:

Clifford Chance LLP

10 Upper Bank Street
Canary Wharf
London E14 5JJ
United Kingdom

To the Dealers as to English law:

Latham & Watkins (London) LLP

99 Bishopsgate
London EC2M 3XF
United Kingdom

AUDITOR

PricewaterhouseCoopers

22/F Prince's Building
Central
Hong Kong, China

LUXEMBOURG LISTING AGENT

Banque Internationale à Luxembourg, société anonyme

69, Route d'Esch
L-2953 Luxembourg