EUROCLEAR BANK SA/NV

(incorporated with limited liability in Belgium)

Euro 5,000,000,000

Euro Medium Term Note Programme

Under the Euro Medium Term Note Programme (the "**Programme**") described in this base prospectus (the "**Base Prospectus**"), Euroclear Bank SA/NV ("**Euroclear Bank**" or the "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes that rank as senior obligations of the Issuer (the "**Notes**"). The Notes may be either senior preferred notes (the "**Senior Preferred Notes**") or senior non-preferred notes (the "**Senior Non-Preferred Notes**"). It is the intention of the Issuer that the Senior Non-Preferred Notes shall, for supervisory purposes, be treated as MREL Eligible instruments (as defined below).

The aggregate principal amount of Notes outstanding will not at any time exceed EUR 5,000,000,000 (or the equivalent in other currencies).

This Base Prospectus (which expression shall include this Base Prospectus as supplemented from time to time and all documents incorporated by reference herein) has been prepared for the purpose of providing disclosure information with regard to the Issuer and the Notes. This Base Prospectus has been approved by the Central Bank of Ireland (the "**CBI**"), as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The CBI only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Notes that are subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU (as amended, "**MiFID II**") and/or which are to be offered to the public in any Member State of the European Economic Area (the "**EEA**") (such Notes being the "**Listed Notes**"). Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for Notes issued under the Programme to be admitted to the official list of Euronext Dublin (the "**Official List**") and to trading on its regulated market (the "**Regulated Market**"). The Regulated Market is a regulated market for the purposes of MiFID II. No certainty can be given that the application for the listing of any Notes will be granted. Furthermore, admission of the Notes to the Official List and trading on the Regulated Market is not an indication of the merits of the Issuer or the Notes. Unlisted Notes may also be issued under the Programme (the "**Unlisted Notes**"). The CBI has neither reviewed nor approved any information in this Base Prospectus pertaining to the Unlisted Notes.

Except in the case of Unlisted Notes, notice of the aggregate nominal amount of the Notes, interest (if any) payable in respect of the Notes, the issue price of Notes and certain other information which is applicable to the relevant Notes will be set out in the final terms document (the "**Final Terms**"), and this Base Prospectus must be read as a whole and together with the applicable Final Terms. In the case of Unlisted Notes, reference herein to "Final Terms" shall, so far as the context permits, be deemed to be references to a pricing supplement document or such other documentation which specifies the applicable terms, conditions and information in relation to the relevant Unlisted Notes (the "**Pricing Supplement**"). The applicable Final Terms or, as the case may be, Pricing Supplement in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Official List and admitted to trading on the Regulated Market (or any other stock exchange). Any Notes issued under the Programme on or after the date of this Base Prospectus are issued subject to the provisions described or incorporated by reference herein.

The Notes issued will be in dematerialised form in accordance with Articles 468 et seq. of the Belgian Companies Code (or, as soon as applicable, Article 7:35 *et seq*. of the new company code introduced by the law of 23 March 2019 ("*Wet tot invoering van het Wetboek van vennootschappen en verenigingen en houdende diverse bepalingen/Loi introduisant le Code des sociétés et des associations et portant des dispositions diverses*")) (the "**New Company Code**"), and will be represented by a book-entry in the records of the clearing system operated by the National Bank of Belgium (the "**NBB**") or any successor thereto (the "**Securities Settlement System**"). The start date of the Programme in the Securities Settlement System was 25 June 2018. The Programme has been rated AA in respect of Senior Preferred Notes and AA- in respect of Senior Non-Preferred Notes by S&P Global Ratings Europe Limited ("**S&P**"), and AA+ in respect of Senior Preferred Notes by Fitch Ratings Ltd. ("**Fitch**"). Each of Fitch and S&P is established in the European Union and is included in the updated list of credit rating agencies registered in accordance with Regulation (EC) No.1060/2009 on credit rating agencies, as amended by Regulation (EU) No 513/2011, as amended (the "**CRA Regulation**") published on the European Securities and Markets Authority ("**ESMA**")'s website (http://www.esma.europa.eu) (on or about the date of this Base Prospectus). Tranches of Notes (as defined in "Overview of the Programme") to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the ratings assigned to the Programme. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the applicable Final Terms. 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.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any U.S. state securities laws and, unless so registered, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act ("**Regulation S**") except pursuant to an exemption from or in a transaction not subject to the registration requirements of the Securities Act and applicable U.S. state securities laws.

The Notes are not intended to be offered, sold or otherwise made available, and should not be offered, sold or otherwise made available, in Belgium to "consumers" (*consommateurs/consumenten*) within the meaning of the Belgian Code of Economic Law (*Code de droit économique/ Wetboek van economisch recht*), as amended.

For the purposes of Listed Notes, this Base Prospectus shall be valid for a period of one year from its date of approval other than in circumstances where an exemption is available under Article 1(4) and/or Article 3(2) of the Prospectus Regulation.

The issue price and amount of the relevant Notes will be determined at the time of the offering of each Tranche based on the then prevailing market conditions.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Base Prospectus. This Base Prospectus does not describe all of the risks of an investment in the Notes.

Arranger
J.P. Morgan

Dealers

J.P. Morgan **Société Générale Corporate & Investment Banking**

Base Prospectus dated 13 September 2019

IMPORTANT INFORMATION

GENERAL

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the EEA (each a "**Member State**") will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in that Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by the Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer (as defined in "Overview of the Programme" below) to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for Euroclear Bank or any Dealer to publish or supplement a prospectus for such offer. The expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

This Base Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see "Documents Incorporated by Reference"). This Base Prospectus should be read and construed together with any amendments or supplements hereto and, in relation to any Tranche of Notes, should be read and construed together with the applicable Final Terms. In relation to Notes to be listed on Euronext Dublin, the Final Terms will be filed with the Central Bank of Ireland on or before the date of issue of the Notes of such Tranche. Copies of Final Terms relating to Notes listed on Euronext Dublin will be published on the website of Euronext Dublin at www.ise.ie. Potential investors in the Notes should be aware that any website referred to in this document does not form part of this Base Prospectus and has not been scrutinised or approved by the CBI.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer, the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect its import.

To the fullest extent permitted by law, none of the Dealers or the Arranger (as defined in "Overview of the Programme" below) accept any responsibility for the contents of this Base Prospectus or for any other statement made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which they might otherwise have in respect of this Base Prospectus or any such statement. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger 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 or the Arranger.

No person is or has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger. Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of

the Issuer since 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 in the financial position of the Issuer since the date hereof or 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 as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

In the case of any Notes which are to be admitted to trading on a regulated market within the EEA or offered to the public in a Member State of the EEA in circumstances which would otherwise require the publication of a prospectus under the Prospectus Regulation, the minimum specified denomination shall be EUR 100,000 (or its equivalent in any other currency as at the date of issue of the Notes).

This Base Prospectus contains or incorporates by reference certain statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to the Issuer's business strategies, trends in its business, competition and competitive advantage, regulatory changes, and restructuring plans. Words such as believes, expects, projects, anticipates, seeks, estimates, intends, plans or similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. The Issuer does not intend to update these forward-looking statements except as may be required by applicable securities laws. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. A number of important factors could cause actual results, performance or achievements to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include: (i) the ability to maintain sufficient liquidity and access to capital markets; (ii) market and interest rate fluctuations; (iii) the strength of the global economy in general and the strength of the economies of the countries in which the Issuer conducts operations; (iv) the potential impact of sovereign risk, particularly in certain European Union countries which have recently come under market pressure; (v) adverse rating actions by credit rating agencies; (vi) the ability of counterparties to meet their obligations to the Issuer; (vii) the effects of, and changes in, fiscal, monetary, trade and tax policies, and currency fluctuations; (viii) the possibility of the imposition of foreign exchange controls by government and monetary authorities; (ix) operational factors, such as systems failure, human error, or the failure to implement procedures properly; (x) actions taken by regulators with respect to the Issuer's business and practices in one or more of the countries in which the Issuer conducts operations; (xi) the adverse resolution of litigation and other contingencies; and (xii) the Issuer's success at managing the risks involved in the foregoing. The foregoing list of important factors is not exclusive; when evaluating forward-looking statements, investors should carefully consider the foregoing factors and other uncertainties and events, as well as the other risks identified in this Base Prospectus.

This Base Prospectus contains various amounts and percentages which have been rounded and, as a result, when those amounts and percentages are added up, they may not total.

IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS AND OFFER OF THE NOTES GENERALLY

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see "Subscription and Sale".

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"). Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

Neither this Base Prospectus nor any other information supplied in connection with the issue of Notes constitutes an offer of, or an invitation by or on behalf of Euroclear Bank, the Dealers or the Arranger to subscribe for, or purchase, any Notes.

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

Prohibition of sales to consumers in Belgium – The Notes are not intended to be offered, sold or otherwise made available, and will not be offered, sold or otherwise made available, in Belgium to "consumers" (*consommateurs/consumenten*) within the meaning of the Belgian Code of Economic Law (*Code de droit économique/Wetboek van economisch recht*), as amended.

Prohibition of sales to non-eligible investors – In respect of Notes which specify 'SONIA' or 'SOFR' as a Reference Rate, the Notes may be held only by, and transferred only to, eligible investors referred to in Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax, holding their securities in an exempt securities account that has been opened with a financial institution that is a direct or indirect participant in the Securities Settlement System.

MiFID II product governance / target market – The Final Terms in respect of any Notes will 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. A distributor subject to MiFID II is, however, responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP 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).

Benchmark 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 (the "**Benchmark Regulation**"). If any such reference rate does constitute such a benchmark, the applicable Final Terms 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 ("**ESMA**") pursuant to Article 36 of the Benchmark Regulation. Not every reference rate will fall within the scope of the Benchmark Regulation. Transitional provisions in the Benchmark Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks (or, if located outside the European Union, recognition, endorsement or equivalence) as at the date of the relevant Final Terms. The registration status of any administrator under the Benchmark Regulation is a matter of public record and, save where required by applicable law, Euroclear Bank does not intend to update the relevant Final Terms to reflect any change in the registration status of the administrator.

CONSIDERATION OF INVESTMENT

Legality of investors' purchase of Notes - None of the Issuer, the Dealers and any of their respective affiliates has or assumes responsibility for the lawfulness of the subscription or acquisition of the Notes by a prospective investor in the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

Suitability of the Notes for certain investors - Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances.

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 (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) 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.

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 the 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.

Taxation - Payments of interest on the Notes, or profits realised by the Noteholder upon the sale or repayment of the Notes, may be subject to taxation in its home jurisdiction and/or in other jurisdictions in which it is required to pay taxes. This Base Prospectus includes general summaries of certain Belgian tax considerations relating to an investment in the Notes issued by the Issuer (see the section headed "Belgian Taxation on the Notes"). Such summaries may not apply to a particular holder of Notes or to a particular issue and do not cover all possible tax considerations. In addition, the tax treatment may change before the maturity or redemption date of Notes. The Issuer advises all investors to contact their own tax advisers for advice on the tax impact of an investment in the Notes.

STABILISATION

In connection with the issue of any Tranche (as defined in the section "Overview of the Programme − Method of Issue") of Notes, the Dealer or Dealers (if any) named as the stabilisation manager(s) (the "**Stabilisation Manager(s)**") (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche 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 and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Managers) in accordance with all applicable laws and rules.

CURRENCIES

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to "**U.S.$**" and "**USD**" are to the lawful currency of the United States, to "**euro**", "**EUR**" and "**€**" are to the lawful currency of the Member States of the European Union that have adopted or adopt the single currency in accordance with the Treaty establishing the European Union, as amended, and to "**GBP**" or "**£**" are to Sterling, the lawful currency of the United Kingdom.

ALTERNATIVE PERFORMANCE MEASURES ("APMs")

This Base Prospectus includes certain financial metrics which the Issuer considers to constitute APMs and which are provided in addition to the conventional financial performance measures defined or specified in the applicable financial reporting framework, the generally accepted accounting principles of Belgium ("**Belgian GAAP**"). The Issuer believes that APMs provide investors with meaningful, additional insight as to underlying performance of the Issuer. An investor should not consider such APMs as alternatives to measures reflected in the Issuer's financial information, which has been prepared in accordance with the Belgian GAAP. In particular, an investor should not consider such measures as alternatives to profit after tax, operating profit or other performance measures derived in accordance with Belgian GAAP or as an alternative to cash flow from operating activities as a measure of the Issuer's activity. The Issuer's non-Belgian GAAP financial measures presented below may not be comparable with similarly titled financial measures reported

by other companies. For the purpose of these definitions, the "**Financial Statements**" means the financial statements of Euroclear Bank SA/NV for the financial year ended 31 December 2016, 31 December 2017 or 31 December 2018, as applicable and reference to any roman numerals is a reference to the relevant line item contained in such Financial Statements.

Adjusted Operating Margin	means Adjusted Operating Profit Before Tax *divided by* Operating Income as reported in the Financial Statements.
Adjusted Operating Profit Before Tax	means the profit of the year before tax as reported in the Financial Statements, excluding the one-off compensation payment to Euroclear Plc in 2016 and the gain realised on the sale of Calar Belgium equity stake in 2017 together with the recognition, use and write-back of provisions for the early retirement plan in 2016 and 2017.
Adjusted Profit of the Year	means the profit of the year as reported in the Financial Statements excluding the one-off compensation payment to Euroclear plc in 2016 and the gain realised on the sale of Calar Belgium equity stake in 2017 together with the recognition, use and write-back of provisions for the early retirement plan in 2016 and 2017.
Adjusted Return on Assets	means Adjusted Profit of the Year *divided by* average total assets reported in Financial Statements.
Adjusted Return on Equity	means the Adjusted Profit of the Year *divided by* the average shareholder equity reported in Financial Statements.
Net Commissions Income	means the commissions received (IV) *less* the commissions paid (V) as reported in the income statement of the Financial Statements.
Net Interest Income	means the Interest and similar income (I) *less* the Interest and similar charges (II) as reported in the income statement of the Financial Statements.
Operating Income	means the *sum of* Net Interest Income, Income from variable-income securities (III), Net Commissions Income and Profit from (loss on) financial operations (VI) as reported in the income statement of the Financial Statements.
Provisions and Depreciation	means the *sum of* captions Depreciation and amounts written off/on formation expenses and intangible and tangible fixed assets (VIII), Write-back of amounts written off on amounts receivable and write-back provisions and commitments which can give rise to a credit risk in the off-balance sheet section (IX), write-back of amounts written off on the investment portfolio of bonds, shares and other fixed-income or variable-income securities (X), uses and write-back of provisions for risks and charges other than those referred to in heading contingent liabilities and commitments which can give rise to a credit risk in the off-balance sheet section (XI) and transfers from the fund for general banking risks (XII) as reported in the income statement of the Financial Statements.

Other Operating Profit means the other operating income (XIV) *less* the other operating charges (XV) as reported in the income statement of the Financial Statements.

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RISK FACTORS

An investment in the Notes involves a degree of risk. Prospective investors should carefully consider the risks set forth below and the other information contained in this Base Prospectus (including information incorporated by reference) before making any investment decision in respect of the Notes. The risks described below are risks which the Issuer believes may have a material adverse effect on the Issuer's business, financial condition, results of operations, future prospects and the value of the Notes or the Issuer's 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 all or any of such contingencies occurring.

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

The Issuer believes that the factors described below represent the principal known risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which are not known to the Issuer or which the Issuer deems immaterial at this time. Prospective investors should carefully consider the risks set forth below and read the detailed information set out elsewhere in this Base Prospectus (including any documents deemed to be incorporated in it by reference) and reach their own views prior to making any investment decision and consult their professional advisers.

Capitalised terms used herein and not otherwise defined shall bear the meaning ascribed to them in the "Terms and Conditions of the Notes" below.

Risks related to the Issuer and the Group

1. Operational Risk

The Issuer is exposed to operational risk resulting from a range of factors. Broadly, the key operational risks to the Issuer's business concern:

(i) losses arising from disruption of business or system failures, as well as due to loss of data integrity and information or due to system unavailability, breach of confidentiality, cyber security breaches, lack of systems alignment to the business, or inadequate information or system support. In this regard, the unavailability of such systems could result in prolonged delay of settlement and/or the availability of funds and securities causing exposures to clients;

(ii) losses arising from failed transaction processing or process management, or from the relationships members of the Group have with trade counterparties and vendors, for example creating losses due to missed corporate events;

(iii) losses on assets held in custody in the event of a custodian's (or sub-custodian's) insolvency, negligence, fraud, poor administration, or inadequate recordkeeping;

(iv) losses arising from a failure to meet certain professional obligations to specific clients (including fiduciary and suitability requirements) or from the nature or design of a product;

(v) losses due to decisions that have been principally based on the output of models that have been erroneously developed, implemented or used. The main source of model risk to the Group comes from the Issuer considering that this is the only central securities depository ("**CSD**") within the Group with a banking licence supported by capital, collateral valuation and other models; and

(vi) losses arising from loss of or damage to physical assets from natural disaster or other events.

The Issuer is exposed to the operational risks described above in relation to the activities of other members of the Group (in addition to its own activities) as a result of other entities of the Group providing various development and support services in a centralised manner for the benefit of the wider Group. For example, the Issuer is dependent on its immediate parent, Euroclear SA/NV ("**ESA**"), for operational support through outsourcing arrangements, under which ESA provides centralised services for the Group in areas including but not limited to information technology, finance, risk management and human resources. The Issuer mitigates these risks through, amongst other things, its business resilience plans and proactive system monitoring as control maps (such mitigating measures are described in more detail in paragraph 4 (*Risk Management for the Group and the Issuer)* of the "*Description of the Issuer*" section).

As exemplified above, ineffective control of any of the above operational risks - either by the Issuer or other members of the Group - could result in reputational damage, regulatory sanctions, litigation and substantial losses and could have an adverse effect on the Issuer's and the Group's results, financial conditions and prospects and may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes.

2. Credit Risk

Credit risk is the risk to the Issuer's earnings or capital arising from the failure by obligors of the Issuer to perform (due to inability or unwillingness) their financial obligations to the Issuer on time and in full. In the scope of its activities, the Issuer's obligors are defined as borrowing participants, cash correspondents and settlement banks, treasury counterparts and issuers of securities in the investment and treasury securities portfolio.

Within Euroclear Holding SA/NV and its subsidiaries (together, the "**Group**" or "**Euroclear**"), credit risk is borne mainly by the Issuer as a single-purpose settlement bank, which has operating exposures to participants and counterparties. As further detailed in paragraph 4 (*Risk Management for the Group and the Issuer)* of the "*Description of the Issuer*" section, the Issuer extends short-term secured uncommitted credit to its participants to facilitate the settlement of securities transactions. When a buyer does not have sufficient cash in its account to settle a transaction, temporary credit is extended which allows settlement to take place efficiently. Generally the duration of this exposure is less than 24 hours (i.e. intra-day), but the duration varies with the source of exposure. In unforeseen circumstances (primarily as the result of settlement failures or delayed credits from participants) part of the operating exposure can become an end-of-day overdraft, retained in the books of the Issuer until the next day.

In addition, the Issuer also faces credit risk from financial institutions on its treasury activities resulting from the intra-day use of its cash correspondent network and from short-term placements (mainly reverse repos) of participants' end-of-day cash positions in the market with its counterparties.

The Issuer mitigates its credit risk through its risk management framework, as detailed in paragraph 4 (*Risk Management for the Group and the Issuer)* of the "*Description of the Issuer*" section.

Failure to manage these risks could have a negative impact on the Issuer's and the Group's reputation, could have an adverse effect on the Group's or the Issuer's results, financial conditions and prospects and may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes.

3. Liquidity Risk

Liquidity risk is the risk that the Issuer may be unable to meet financial obligations and other payments when they are due or that they can only be met through the raising of funds at uneconomic rates. As further detailed in paragraph 4 (*Risk Management for the Group and the Issuer)* of the "*Description of the Issuer*" section below, the Issuer provides liquidity to offer efficient custody services and to facilitate settlement on a Delivery Versus Payment basis. This liquidity bridges what is mainly intra-day

imbalances in clients' cashflows. As a result, any unforeseen inability of participants to fulfil their settlement and payment obligations may increase demand for the Issuer's liquidity and create an imbalance such that the Issuer may consequently lack sufficient liquidity to meet its own daily payment obligations and facilitate settlement or could incur increased refinancing costs as a result of liquidity bottlenecks. If such situation arises, this could have an adverse effect on the Issuer's and the Group's results, financial conditions and prospects. In such circumstances, the Issuer may not be able to fulfil all or part of its payment obligations under the Notes.

The Issuer mitigates its liquidity risk through its risk management framework, as detailed in paragraph 4 (*Risk Management for the Group and the Issuer)* of the "*Description of the Issuer*" section.

Failure to manage these risks could have a negative impact on the Issuer's and the Group's reputation, could have an adverse effect on the Group's or the Issuer's results, financial conditions and prospects and may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes.

4. Legal, Regulatory and Compliance Risk

The Group is subject to extensive legal and regulatory obligations in the various jurisdictions in which it operates. Broadly, the key legal and regulatory risks to the Group's business arise from: (i) the application of any applicable laws, regulations, market rules and prescribed practices in all relevant jurisdictions to the Group's business; (ii) new laws being passed, and the changing regulatory environment, to which the Group is subject; (iii) the conflict of laws between jurisdictions in which the Group operates.

More specifically, the Group and the Issuer are subject to the risk, inherent in all regulated financial businesses, of having insufficient capital resources to meet the minimum regulatory capital requirements applicable to them, for example, under Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the "**BRRD**"), which imposes an obligation on credit institutions to hold a minimum level of own funds and eligible liabilities ("**MREL**"). Such capital requirements may increase if economic conditions or negative trends in the financial markets worsen. Any failure of the Group or the Issuer to maintain their minimum regulatory capital ratios could result in administrative action or sanctions, which, in turn, may have an adverse impact on the Group's and the Issuer's results, financial conditions and prospects. A shortage of available capital may restrict the Group's and the Issuer's opportunities for expansion and may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes.

Additionally, the Group is subject to various law and regulation arising from the fiscal or other policies and actions of various governmental and regulatory authorities in Belgium, the European Union, the United States and elsewhere, including the Central Securities Depositories Regulation (EU) 909/2014 of 23 July 2014 ("**CSDR**"), which came into force in September 2014 and is the main piece of legislation applicable to the Issuer and the Group's national central securities depositories (the "**Euroclear CSDs**"). The Issuer is also subject to substantial and evolving prudential regulations under the auspices of the NBB, under which it is required, amongst other things, to maintain adequate capital resources and to satisfy specified capital ratios which may increase over time. The other areas where policy and regulatory changes could have an impact on the Issuer and the Group include, but are not limited to:

(i) monetary policies, interest rates, crisis management, asset quality review, recovery and resolution and other policies of central banks and regulatory authorities;

(ii) changes in government or regulatory policy that may significantly influence investor decisions in particular markets in which the Group operates;

(iii) increased capital requirements and changes relating to capital treatment;

(iv) changes in, and rules on, competition and pricing environments;

(v) developments in the financial reporting environment;

(vi) stress-testing exercises to which financial institutions are subject;

(vii) implementation of conflicting or incompatible regulatory requirements in different jurisdictions relating to the same products or transactions;

(viii) changes to policies aimed at combating money laundering, bribery and terrorist financing and enforcing compliance with economic sanctions;

(ix) unfavourable developments producing social instability or legal uncertainty; and

(x) regulatory compliance risk arising from a failure or inability to comply fully with the laws, regulations or codes applicable specifically to the financial services industry.

For more information on the regulatory regime applicable to the Issuer and the Group please refer to the section entitled "*Regulatory Information*".

Laws and regulations of the type described above can significantly affect the way that the Issuer does business by restricting the scope of its existing businesses, limiting its ability to expand its product and service offerings, limiting its ability to pursue acquisitions, increasing the Issuer's operating costs, and/or making its products and services more expensive for clients, which could all have an adverse effect on the Issuer's and the Group's results, financial conditions and prospects and may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes. In addition, non-compliance could lead to fines, public reprimands, damage to reputation, criminal and civil penalties, enforced suspension of operations or, in extreme cases, withdrawal of authorisations to operate.

5. Market Risk

Market risk is the uncertainty of future earnings and of the value of assets and liabilities (on or off balance sheet) due to changes in interest rates, foreign exchange rates, equity prices or commodity prices. The Issuer believes that it faces relatively low levels of market risk as it does not engage in any activity that is not considered as part of its normal business or a consequence of its clients' activity and as such it does not engage in trading activity. Further, the activities and instruments that the Issuer can engage in must be in line with its risk averse profile, which is further detailed in paragraph 4 (*Risk Management for the Group and the Issuer)* of the "*Description of the Issuer*" section. The Issuer is not exposed to commodity risk. The Issuer may when mandatory or for business reasons invest in equity of the entities providing a service or market link. The Issuer applies a prudent investment strategy in order to preserve its core equity, in particular, the assets of its investment book can only be invested in highly rated and liquid debt instruments (with the exception of intra-company loans), and an appropriate hedging strategy is applied so as to protect future earnings against adverse market conditions.

Notwithstanding the above, the Group continues to bear a degree of market risk, and the Issuer considers that this risk in the context of the Group's business can be categorised into four segments: (i) the effect of the absolute level of interest rates on income; (ii) the potentially uneven effect of currency movements on revenues and expenses; (iii) the potential for interest rate movements to reduce the value of the securities in the liquidity portfolio; and (iv) the interest and currency risk on its treasury activities.

A failure to manage the risks set out in the preceding paragraph could have an adverse effect on the Issuer's and the Group's results, financial conditions and prospects and may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes.

6. Business Risk

Business risk is the risk of revenues being different from those forecast as a result of the inherent uncertainty associated with business planning or of unanticipated changes in the nature or level of market activity serviced by the Group or client activity. The key business risks faced by the Issuer are (i) the loss of a major client, (ii) changes in the level of cash balances held by participants, and (iii) the risk of a market downturn resulting in lower demand for the Issuer's services. Any significant deviation from expectations or any material failure to anticipate expected revenues on a short-term or long-term basis could have an adverse effect on the Issuer's and the Group's results, financial conditions and prospects and may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes.

7. Business and General Economic Conditions

Since the financial crisis, global capital markets have experienced difficult credit and liquidity conditions and disruptions leading to reduced liquidity and greater volatility (such as volatility in credit spreads). Uncertainties concerning the outlook and future economic environment remain despite recent improvements in certain segments of the global economy. There can be no assurance that economic conditions in these segments will continue to improve or that the global economic condition as a whole will improve significantly or at all. The economic risks in the Eurozone are being addressed by on-going policy initiatives, and the prospects for many of the European economies are improving (although uncertainties remain, for example in Italy). Investors remain cautious and a slowing or failing of the economic recovery would likely aggravate the adverse effects of difficult economic and market conditions on the Group's clients and on others in the financial services industry. Similarly, the occurrence of other geopolitical events, and responses to any such event, may create economic and political uncertainties which could have a negative impact on Belgian and other international economic conditions in ways that cannot necessarily be predicted. The results of the operations of the Issuer and the Group may therefore be adversely affected by a reduction in the activity levels of clients as a consequence of changes in interest rates, exchange rates, inflation, deflation, investor sentiment, the availability and cost of credit, the liquidity of the global financial markets and the level and volatility of equity prices which would reduce the demand for the Group's products and services as a CSD, and this could have an adverse impact on the Issuer's and the Group's results, financial conditions and prospects. Such a deterioration in business and economic conditions may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes.

8. Competition Risk

The Group faces competition in the global and local markets in which it operates, both at the level of the Issuer and the CSDs. Due to multiple new regulations coming into force, competition is expected to intensify, as regulations increasingly require settlement functions to be commoditised, thus allowing clients to rationalise their CSD relationships, and also because of the likelihood of further consolidation of CSDs. One such risk comes from the possible arrival of new entrants in the market, for example Fintech companies, which may be able to leverage new technology in order to gain competitive advantage. This creates a risk of disruption to the Group's current business model, which could have a negative effect. Furthermore, the Group's competitors may be better positioned to take advantage of rationalisation and consolidation in the industry and may thereby gain a competitive advantage or increase an existing competitive advantage over the Group.

The Group is investing in initiatives to ensure that it carries out adequate levels of monitoring of the market so as to assess and address the materiality of this risk. Irrespective of this, if there was an increase in the number of new entrants in the market, or a rapid deployment of new technology in competition with the activities of the Issuer and the Group, this could have an adverse effect on the Group's or the Issuer's

results, financial conditions and prospects and may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes.

9. Conduct and Culture Risk

Risks arise from the Group's corporate and risk culture, governance arrangements, conduct and dealings with stakeholders and shareholders, and the Group's corporate responsibility as an international financial organisation. Stakeholders include, without limitation, clients, participants, suppliers, regulators, competitors and other financial market infrastructures.

Given its position as a provider of financial market infrastructure, failure to manage these risks could have a negative impact on the Group's reputation, could have an adverse effect on the Issuer's and the Group's results, financial conditions and prospects and may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes.

10. Strategic Risk

Strategic risk is the risk of the Issuer's business model not being able to deliver its corporate objectives as a result of its inability to implement internal changes or external changes in the environment in which the Group operates or the inherent uncertainty associated with business planning over a medium to long-term horizon. Any such failure within the Group to manage such risks could have an adverse effect on the Issuer's and the Group's results, financial conditions and prospects and may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes.

11. Brexit Risk

On 23 June 2016, the UK held a referendum in which the majority of voters voted to leave the EU (the "**Brexit Vote**"). Subsequently, on 29 March 2017, the UK gave formal notice (the "**Article 50 Notice**") under Article 50 of the Treaty of the European Union ("**Article 50**") of its intention to leave the EU. The delivery of the Article 50 Notice triggered a two year period of negotiation to determine the terms on which the UK will exit the EU and the framework for the UK's future relationship with the EU (the "**Article 50 Withdrawal Agreement**").

The Article 50 Withdrawal Agreement has not yet been ratified by the UK or the EU, and the parties have agreed to an extended time line which allows for ratification to take place any time prior to 31 October 2019. To the extent ratification does take place ahead of 31 October 2019, the UK would leave the EU on the first date of the month following ratification. However, it remains uncertain whether the Article 50 Withdrawal Agreement, or any alternative agreement, will be finalised and ratified by the UK and EU ahead of the deadline. If that deadline of 31 October 2019 is not met, unless the negotiation period is further extended or the Article 50 notification revoked, the Treaty on the European Union and the Treaty on the Functioning of the EU will cease to apply to the UK and the UK will lose access to the EU single market.

Whilst continuing to discuss the Article 50 Withdrawal Agreement and political declaration, the UK Government has continued with preparations for a "hard" Brexit (or "no-deal" Brexit) to minimise the risks for firms and businesses associated with an exit with no transitional agreement. This has included publishing draft secondary legislation under powers provided in the EU (Withdrawal) Act 2018 to ensure that there is a functioning statute book after any exit without a transitional period. Operationally, in the event of a "hard" Brexit the Issuer's financial institution clients may no longer be able to rely on the European passporting framework for financial services post-Brexit, and it is unclear what alternative regime may be in place in these circumstances. The Group has established a "no-deal" Brexit strategy to mitigate the effects of this scenario should it arise, including plans for its London-based CSD to continue settling Irish securities, however this does not eliminate the risks raised by the prospect of a "no-deal" Brexit entirely.

The Brexit Vote and the ongoing negotiation period is likely to generate increased volatility in the markets and economic uncertainty which could adversely affect the Issuer's and the Group's results, financial conditions and prospects. While Euroclear seeks to manage Brexit-related risks in a prudent way and has been monitoring the subject closely, until the terms and timing of the UK's exit from the EU are confirmed, it is not possible to determine the full impact that the Brexit Vote, the UK's departure from the EU and/or any related matters may have on either the general economic conditions in the UK or, more specifically, the business of the Issuer and the Group. Political developments, along with changes in government structure and policies, could affect the fiscal, monetary and regulatory landscape to which the Group, or at least certain parts of it, and the Issuer are subject. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes.

12. Litigation Risk

The Group and the Issuer are subject to a comprehensive range of legal obligations in all countries in which they operate. As a result, the Group and the Issuer are exposed to the risk that legal proceedings are brought against them. Regardless of whether such claims have merit, the outcome of legal proceedings is inherently uncertain and could result in financial loss. Defending legal proceedings can be expensive and time-consuming and there is no guarantee that all costs incurred will be recovered even if the Group or the Issuer is successful. Failure to manage these risks could have a negative impact on the Issuer's and the Group's reputation, could have an adverse effect on the Group's or the Issuer's results, financial conditions and prospects and may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes.

13. Systemic Risk

The Group and the Issuer could be negatively affected by the weakness and/or perceived weakness of financial institutions, which could result in significant systemic liquidity problems, losses or defaults by financial institutions and counterparties. Financial institutions that deal with each other are interrelated as a result of trading, investment, clearing, counterparty and other relationships. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom the Group interacts on a daily basis. This could have an adverse effect on the Group's and the Issuer's results, financial conditions and prospects and may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes.

Risks related to the Notes

1. Bail-in of senior debt and other eligible liabilities, including the Notes

Given the entry into force of the bail-in regime, holders of the Notes may lose some or all of their investment (including outstanding principal and accrued but unpaid interest) as a result of the exercise by the national resolution authorities designated as such by Article 3 of the BRRD (the "**Resolution Authorities**") of the "bail-in" resolution tool. The relevant national Resolution Authority for Belgium is the NBB which, together with the Single Resolution Board (and including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation) (the "**Relevant Resolution Authority**"), subject to certain conditions being met, has the power to bail-in (i.e. write down or convert) senior debt (such as the Notes). See paragraph 3 (*The Bank Recovery and Resolution Directive*) of the "*Regulatory Information*" section for further information in respect of the bail-in powers and various other resolution tools exercisable by the Relevant Resolution Authority, and the circumstances as to when they may be exercised.

The bail-in power enables the Relevant Resolution Authority to recapitalise a failed institution by allocating losses to its shareholders and unsecured creditors (including holders of the Notes) in a manner which is consistent with the hierarchy of claims in an insolvency of a relevant financial institution. Under such hierarchy, the Senior Non-Preferred Notes would be written down or converted before the Senior Preferred Notes. The bail-in power includes the power to cancel a liability or modify the terms of contracts for the purposes of deferring the liabilities of the relevant financial institution and the power to convert a liability from one form to another.

2. Impact of bail-in powers on listings

To the extent the Notes are bailed-in (i.e. written down or converted) pursuant to the BRRD or otherwise (see above and paragraph 3 (*The Bank Recovery and Resolution Directive*) of the "*Regulatory Information*" section for further information), the Issuer does not expect any securities issued upon bail-in of the Notes to meet the listing requirements of any securities exchange, and the Issuer expects outstanding listed securities to be delisted from the securities exchanges on which they are listed. It is likely that any securities the Noteholders will receive upon the exercise of the bail-in power will not be listed for at least an extended period of time, if at all. Additionally, there may be limited, if any, disclosure with respect to the business, operations or financial statements of the Issuer at the time any securities are issued upon conversion of the Notes, or the disclosure may not be current to reflect changes in the business, operations or financial statements as a result of the exercise of the bail-in power. As a result, there may not be an active market for any securities Noteholders may hold after the exercise of the bail-in powers.

3. The Notes may be redeemed prior to maturity in certain circumstances

Subject to certain conditions being met, the Notes may be redeemed prior to their maturity date, in whole but not in part, at the Tax Event Redemption Amount together with accrued interest, at the option of the Issuer, upon the occurrence of a Tax Event (see Condition 3(e) (*Redemption upon the occurrence of a Tax Event*)).

Further, if Condition 3(f) (*Redemption of Senior Non-Preferred Notes upon the occurrence of a MREL Disqualification Event*) is specified as being applicable in the applicable Final Terms, the relevant Senior Non-Preferred Notes then outstanding may be redeemed prior to their maturity date, in whole but not in part, at the MREL Disqualification Event Early Redemption Amount (as defined in Condition 3(f) (*Redemption of Senior Non-Preferred Notes upon the occurrence of a MREL Disqualification Event*)) together with accrued interest, at the option of the Issuer, upon the occurrence of a MREL Disqualification

Event, subject to such redemption being permitted by the Applicable MREL Regulations, and subject to the prior approval of the Lead Regulator or the Relevant Resolution Authority if required.

The redemption of the Notes upon the occurrence of a Tax Event, the redemption of the Senior Non-Preferred Notes upon the occurrence of a MREL Disqualification Event, or the (perceived) prospect of such redemption, could have a material adverse effect on the value of the Senior Preferred Notes or the Senior Non-Preferred Notes (as the case may be).

If the Issuer redeems the Notes in any of the circumstances mentioned above, there is a risk that the Notes may be redeemed at times when the redemption proceeds are less than the current market value of the Notes or when prevailing interest rates may be relatively low, in which case Noteholders may only be able to reinvest the redemption proceeds in securities with a lower yield. Potential investors should consider the reinvestment risk in light of other investments available at that time.

4. The Issuer is not prohibited from issuing further debt, which may rank pari passu with or senior to the Notes

There is no restriction on the amount of debt that the Issuer may issue that ranks senior to, or *pari passu* with, the Notes. The issue of any such debt or securities may reduce the amount recoverable by investors upon the Issuer's insolvency. If the Issuer's financial condition were to deteriorate, the Noteholders could suffer direct and materially adverse consequences, including reduction of interest and principal and, if the Issuer were to be liquidated (whether voluntarily or involuntarily), the Noteholders could suffer loss of their entire investment.

5. Issuer substitution

If Condition 7 (*Substitution of the Issuer*) is specified as applicable in the relevant Final Terms, the Issuer may at any time, without the consent of the Noteholders, substitute for itself as the principal debtor under the Notes a substitute company, provided that certain preconditions set out under Condition 7 (*Substitution of the Issuer*) of the Terms and Conditions of the Notes are fulfilled. Notwithstanding each of these preconditions being satisfied prior to any such substitution, there can be no guarantee that any such substitution will not have an adverse effect on the price of the Notes and subsequently lead to losses for the Noteholders if they sell the Notes.

6. There are no events of default (other than in the event of a dissolution or liquidation of the Issuer) allowing acceleration of the Senior Non-Preferred Notes or (if "Senior Preferred Notes Restricted Events of Default" is specified as applicable in the relevant Final Terms) the Senior Preferred Notes

The Terms and Conditions of the Notes in relation to the Senior Non-Preferred Notes and (if "Senior Preferred Notes Restricted Events of Default" is specified as applicable in the relevant Final Terms) the Senior Preferred Notes do not provide for events of default (other than in the event of a dissolution or liquidation of the Issuer as provided in Condition 11(a) (*Senior Non-Preferred Notes and Senior Preferred Notes if "Senior Preferred Notes Restricted Events of Default" is specified as applicable in the relevant Final Terms – Events of Default*)) allowing acceleration of the Senior Non-Preferred Notes or of such Senior Preferred Notes if certain events occur. Accordingly, if the Issuer fails to meet any obligations under the Senior Non-Preferred Notes or such Senior Preferred Notes, including the payment of any interest, investors will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to Noteholders for recovery of amounts owing in respect of any payment of principal or interest on the Senior Non-Preferred Notes or such Senior Preferred Notes will be the institution of proceedings for the dissolution or liquidation of the Issuer in Belgium.

7. Substitution and variation relating to Senior Non-Preferred Notes

If Condition 6(c) (*Senior Non-Preferred Notes: Substitution and Variation*) is specified as being applicable in the relevant Final Terms, then the Issuer may following the occurrence of a MREL Disqualification Event (as defined in Condition 3(f) (*Redemption of Senior Non-Preferred Notes upon the occurrence of a MREL Disqualification Event*)), at its sole discretion and without the consent of the Noteholders, either substitute the relevant Senior Non-Preferred Notes then outstanding or vary their terms, so that they become or remain Qualifying Securities (as defined in Condition 6(c) (*Senior Non-Preferred Notes: Substitution and Variation*)). If the Issuer has not opted to substitute or vary the Senior Non-Preferred Notes in accordance with the Terms and Conditions of the Notes following a MREL Disqualification Event (if specified as being applicable in the relevant Final Terms), the relevant Senior Non-Preferred Notes may be redeemed early (in whole but not in part) at the Issuer's sole option at a price that can be lower than the price at which the Senior Non-Preferred Notes were purchased.

The exercise of these rights by the Issuer may have an adverse effect on the position of holders of the relevant Senior Non-Preferred Notes. While the substitution or variation of the terms of such Senior Non-Preferred Notes, if any, will be the same for all holders of such Senior Non-Preferred Notes, some holders may be more impacted than others. In addition, the tax and stamp duty consequences of holding any such substituted notes could be different for some categories of Noteholders from the tax and stamp duty consequences for them of holding Senior Non-Preferred Notes prior to such substitution.

8. Notes subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, investors that choose to reinvest moneys they receive through an optional early redemption may only be able to do so at a lower yield than the redeemed Notes. Potential investors should consider reinvestment risk in light of other investments available at that time.

9. Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include such features.

Moreover, the reference rate could be zero or even negative. Even if the relevant reference rate becomes negative, it will still remain the basis for the calculation of the interest rate, and a margin, if applicable, will be added to such negative interest rate.

10. Investors will not be able to calculate in advance their rate of return on Floating Rate Notes

A key difference between Floating Rate Notes, on the one hand, and Fixed Rate Notes, on the other, is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield for Floating Rate Notes at the time they purchase them, so that their return on investment may be lower than expected, and cannot be compared with that of investments bearing fixed interest rate.

11. Zero Coupon Notes are subject to greater price fluctuations than non-discounted notes

Changes in market interest rates have a substantially stronger impact on the prices of Zero Coupon Notes than on the prices of ordinary notes because the discounted issue prices are substantially below par. If

market interest rates increase, Zero Coupon Notes can suffer higher price losses than other notes having the same maturity and credit rating. Due to their leverage effect, Zero Coupon Notes are a type of investment associated with a particularly high price risk.

12. Risks relating to Fixed to Floating Rate Notes or Floating to Fixed Rate Notes

Notes which are "Fixed to Floating Rate Notes" or "Floating to Fixed Rate Notes" may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature may affect the secondary market for and the market value of such Notes. If the Notes are converted from a fixed rate to a floating rate, the spread on the Fixed to Floating Rate Notes may be less favourable than the 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 Notes are converted from a floating rate to a fixed rate, the fixed rate may be lower than the then prevailing market rates.

13. Risks relating to Resettable Notes

In the case of any Series of Resettable Notes, the rate of interest on such Resettable Notes will be reset by reference to the then prevailing Mid-Swap Rate, Benchmark Gilt Rate or the CMT Rate (as indicated in the applicable Final Terms), as adjusted for any applicable margin, on the reset dates specified in the applicable Final Terms. This is more particularly described in Condition 2(b) (*Rate of Interest on Resettable Notes*). The reset of the rate of interest in accordance with such provisions may affect the secondary market for and the market value of such Resettable Notes. Following any such reset of the rate of interest applicable to the Notes, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest on the relevant Resettable Notes may be lower than the Initial Rate of Interest, the First Reset Rate of Interest and/or any previous Subsequent Reset Rate of Interest.

14. Notes issued at a substantial discount or premium

The market values of Notes issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do 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.

15. Foreign currency Notes expose investors to foreign-exchange risk as well as to Issuer risk

As purchasers of foreign currency Notes, investors are exposed to the risk of changing foreign exchange rates. This risk is in addition to any performance risk that relates to the Issuer or the type of Note being issued.

16. A Noteholder's actual yield on the Notes may be reduced from the stated yield by transaction costs

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Notes. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or pro-rata commissions depending on the order value. To the extent that additional - domestic or foreign - parties are involved in the execution of an order, including, but not limited to, domestic dealers or brokers in foreign markets, Noteholders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs).

In addition to such costs directly related to the purchase of securities (direct costs), Noteholders must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

17. There is no active trading market for the Notes

Any Series of Notes will be new securities which may not be widely distributed and for which there is currently no active trading market (even where, in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). 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 application may be made for Notes issued under the Programme to be admitted to trading on the regulated market of Euronext Dublin, there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted, that an active trading market will develop or that any listing or admission to trading will be maintained. Notes may also be issued on an unlisted basis. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes, nor that such application for any listing or admission to trading will be maintained in respect of every Tranche of Notes.

18. Modification, waivers and substitution

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

In addition, pursuant to Condition 2(o) (*Benchmark replacement*), if a Benchmark Event occurs, certain changes may be made to the interest calculation and related provisions of the Resettable Notes and Floating Rate Notes as well as the Agency Agreement in the circumstances and as otherwise set out in such Condition, without the requirement for the consent of the Noteholders. As a result, there is a risk that changes may be made to the Terms and Conditions of the Notes that have not been approved by the Noteholders.

19. No tax gross-up protection for Non-Eligible Investors

Potential investors should be aware that the Terms and Conditions of the Notes do not require the Issuer to gross-up the net payments received by a Noteholder in relation to the Notes with the amounts withheld or deducted for Belgian tax purposes if the Noteholder (i) was not, at the time of the issue of the Notes, an eligible investor within the meaning of Article 4 of the Royal Decree of 26 May 1994 on the deduction of withholding tax (an "**Eligible Investor**"), (ii) was, at the time of the issue of the Notes, an Eligible Investor, but, for reasons within the relevant Noteholder's control, ceased to be an Eligible Investor or (iii) at any relevant time on or after the issue of the Notes, otherwise failed to meet any other condition for the exemption of Belgian withholding tax pursuant to the law of 6 August 1993 relating to transactions with certain securities (each a "**Non-Eligible Investor**").

If the Issuer, the NBB, the Agent or any other person is required to make any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatever nature in respect of any payment in respect of Notes held by Non-Eligible Investors, the Issuer, the NBB, the Agent or that other person shall make such payment after such withholding or deduction has been made and will account to the relevant authorities for the amount so required to be withheld or deducted.

20. Change of law

The Terms and Conditions of the Notes are, save to the extent referred to in Condition 15(a) (*Governing Law*), based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

In addition, any relevant tax law or practice applicable as at the date of this Base Prospectus and/or the date of purchase or subscription of the Notes may change at any time (including during any subscription period or the term of the Notes).

Such changes in law may include, but are not limited to, changes to the statutory resolution and loss absorption tools which affect the rights of holders of notes issued by the Issuer, including the Notes.

Any such change may have an adverse effect on a Noteholder, including that the Notes may be redeemed before their due date, their liquidity may decrease and/or the tax treatment of amounts payable or receivable by or to an affected Noteholder may be less favourable than otherwise expected by such Noteholder.

21. No Agent is required to segregate amounts received by it in respect of Notes cleared through the Securities Settlement System

The Agency Agreement (as defined in the Terms and Conditions) provides that the Issuer shall transfer to the Agent such amount as may be required for the purposes of payments to the Noteholders and the Agent shall use such funds to make payment to the Noteholders.

The Agency Agreement also provides that an Agent will, upon receipt by it of the relevant amounts pay to the Noteholder, directly or through the NBB, any amounts due in respect of the relevant Notes. However, no Agent is required to segregate any such amounts received by it in respect of the Notes, and in the event that such Agent were subject to insolvency proceedings at any time when it held any such amounts, Noteholders would be required to claim such amounts from such Agent in accordance with applicable Belgian insolvency laws.

22. No Agent assumes any fiduciary or other obligations to the Noteholders

Each Agent appointed in respect of Notes will act in its respective capacity in accordance with the Terms and Conditions and the Agency Agreement in good faith. However, Noteholders should be aware that no Agent assumes any fiduciary or other obligations to the Noteholders and, in particular, is not obliged to make determinations which protect or further strengthen the interests of the Noteholders, for instance in circumstances where its interests are not aligned with the Noteholders'.

Each Agent may rely on any information to which it should properly have regard that is reasonably believed by it to be genuine and to have been originated by the proper parties.

23. Potential conflicts of interest

Potential conflicts of interest may exist between the Issuer, the Agents, the Dealers, the Calculation Agent and the Noteholders. The Calculation Agent in respect of any Series of Notes may be the Issuer or the Dealer of such Notes, and this gives rise to potential conflicts including (but not limited to) with respect to certain determinations and judgements that the Calculation Agent may make pursuant to the Terms and Conditions that may influence any interest amount due on, and for the amount receivable upon redemption of, the Notes. The Issuer and its affiliates (including, if applicable, any Dealer or Agent) may engage in trading activities (including hedging activities) related to any Notes, for its proprietary accounts or for other accounts under their management.

24. Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency (as specified in the applicable Final Terms). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the

Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the equivalent yield on the Notes in the Investor's Currency, (ii) the equivalent value of the principal payable on the Notes in the Investor's Currency and (iii) the equivalent market value of the Notes in the Investor's Currency.

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

25. Interest rate risks

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

26. Credit ratings may not reflect all risks

Where applicable, the expected credit ratings of the Notes will be set out in the Final Terms of the relevant Series of Notes. Other Series of Notes may be unrated and one or more credit rating agencies may assign unsolicited additional credit ratings to the Notes.

In general, European regulated investors are restricted under the CRA Regulation (as defined on page 1) from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant credit rating agency included in such list, as there may be delays between certain supervisory measures taken against the relevant credit rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings will be disclosed in the applicable Final Terms.

There is no guarantee that any ratings will be assigned or maintained. The ratings may furthermore not reflect the potential impact of all risks related to structure, market and additional factors discussed above, and other factors (including a change of control affecting the Issuer) that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the relevant rating agency at any time. Any adverse change in an applicable credit rating or the assignment of an unfavourable rating by another rating agency could adversely affect the trading price for the Notes.

27. The qualification of the Senior Non-Preferred Notes as MREL-Eligible Instruments is subject to uncertainty

The Senior Non-Preferred Notes are intended to be MREL-Eligible Instruments under the Applicable MREL Regulations (each as defined in Condition 3(f) (*Redemption of Senior Non-Preferred Notes upon the occurrence of a MREL Disqualification Event*)). However, there is uncertainty regarding the final substance of the Applicable MREL Regulations, and the Issuer cannot provide any assurance that the Senior Non-Preferred Notes will be or remain MREL-Eligible Instruments. Please refer to risk factor 9 in case of MREL Disqualification Event.

The European Commission and the Council of the European Union have introduced a package of directives and regulations which has amended the BRRD and Regulation (EU) 575/2013 of 26 June 2013 on minimum capital requirements ("**CRR**"), and will modify the requirements for MREL eligibility. While the Issuer believes that the terms and conditions of the Senior Non-Preferred Notes are consistent with these requirements, the requirements set out in Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 ("**BRRD 2**"), which amends the BRRD, have not yet been transposed or interpreted.

Because of the uncertainty surrounding the substance of national measures giving effect to MREL, the Issuer cannot provide any assurance that the Senior Non-Preferred Notes will ultimately be MREL-Eligible Instruments. If they initially are MREL-Eligible Instruments and subsequently become ineligible due to a change in Applicable MREL Regulations, or they do not qualify as MREL-Eligible Instruments by reason of Applicable MREL Regulations becoming effective, then a MREL Disqualification Event will occur (and the Issuer may redeem the Senior Non-Preferred Notes).

28. Additional Risks relating to Senior Non-Preferred Notes

The Senior Non-Preferred Notes are complex instruments that may not be suitable for certain investors.

Senior Non-Preferred Notes are novel and complex financial instruments and may not be a suitable investment for certain investors. Each potential investor in the Senior Non-Preferred Notes should determine the suitability of such investment in light of its own circumstances and have sufficient financial resources and liquidity to bear the risks of an investment in the Senior Non-Preferred Notes, including the possibility that the entire principal amount of the Senior Non-Preferred Notes could be lost. A potential investor should not invest in the Senior Non-Preferred Notes unless it has the knowledge and expertise (either alone or with a financial advisor) to evaluate how the Senior Non-Preferred Notes will perform under changing conditions, the resulting effects on the market value of the Senior Non-Preferred Notes, and the impact of this investment on the potential investor's overall investment portfolio.

The Senior Non-Preferred Notes are senior non-preferred obligations and are junior to certain obligations

The Issuer's obligations under the Senior Non-Preferred Notes constitute senior non-preferred obligations within the meaning of Article 389/1, 2° of the Belgian Banking Law (as defined below) (the "**Senior Non-Preferred Law**"). While the Senior Non-Preferred Notes by their terms are expressed to be direct, unconditional, senior and unsecured (*chirographaires/chirografaire*) obligations of the Issuer, they nonetheless rank junior in priority of payment to senior preferred obligations of the Issuer in the case of liquidation. The Issuer's senior preferred obligations include all of its deposit obligations, its obligations in respect of derivatives and other financial contracts, its unsubordinated debt securities and all unsubordinated or senior debt securities issued thereafter that are not expressed to be senior non-preferred obligations (including the Senior Preferred Notes).

There is no restriction on the incurrence by the Issuer of additional senior preferred obligations. As a consequence, if the Issuer enters into liquidation proceedings, it will be required to pay substantial amounts of senior preferred obligations before any payment is made in respect of the Senior Non-Preferred Notes.

In addition, if the Issuer enters into resolution, its eligible liabilities (including the Senior Non-Preferred Notes) will be subject to bail-in - which may be the most appropriate resolution strategy for the Relevant Resolution Authority - meaning potential write-down or conversion into equity securities or other instruments, in the order of priority that would apply in liquidation proceedings. Because senior non-preferred obligations such as the Senior Non-Preferred Notes rank junior to senior preferred obligations, the Senior Non-Preferred Notes would be written down or converted in full before any of the Issuer's

senior preferred obligations were written down or converted. See "Bail-in of senior debt and other eligible liabilities, including the Notes".

As a consequence, holders of Senior Non-Preferred Notes bear significantly more risk than holders of senior preferred obligations, and could lose all or a significant part of their investments if the Issuer were to enter into resolution or liquidation proceedings.

Senior non-preferred securities are new types of instruments for which there is no trading history

Prior to the entry into force of the Senior Non-Preferred Law, Belgian issuers were not able to issue securities with a senior non-preferred ranking. Accordingly, there is no trading history for securities of Belgian banks with this ranking. Market participants, including credit rating agencies, are in the initial stages of evaluating the risks associated with senior non-preferred obligations. The credit ratings assigned to senior non-preferred securities such as the Senior Non-Preferred Notes may change as the rating agencies refine their approaches, and the value of such securities may be particularly volatile as the market becomes more familiar with them. It is possible that, over time, the credit ratings and value of senior non-preferred securities such as the Senior Non-Preferred Notes will be lower than those expected by investors at the time of issuance of the Senior Non-Preferred Notes. If so, investors may incur losses in respect of their investments in the Senior Non-Preferred Notes.

The terms of the Senior Non-Preferred Notes contain very limited covenants

The Terms and Conditions of the Notes place no restrictions on the amount of debt that the Issuer may issue that ranks senior to the Senior Non-Preferred Notes, or on the amount of securities it may issue that rank *pari passu* with the Senior Non-Preferred Notes. The issue of any such debt or securities may impact the amount recoverable by Noteholders upon liquidation of the Issuer. In addition, the Senior Non-Preferred Notes do not require the Issuer to comply with financial ratios or otherwise limit its ability or that of its subsidiaries to incur additional debt, nor do they limit the Issuer's ability to use cash to make investments or acquisitions, or the ability of the Issuer or its subsidiaries to pay dividends, repurchase shares or otherwise distribute cash to shareholders. Such actions could potentially affect the Issuer's ability to service its debt obligations, including those of the Senior Non-Preferred Notes.

29. Risks related to the reform and regulation of Benchmarks

As discussed in detail in paragraph 6 (*Benchmark Regulations and Reform*) of the "*Regulatory Information*" section, various Reference Rates and indices, including interest rate benchmarks, such as the Euro Interbank Offered Rate ("**EURIBOR**"), the London Interbank Offered Rate ("**LIBOR**"), the Sterling Overnight Index Average ("**SONIA**") and the Secured Overnight Financing Rate ("**SOFR**"), which are deemed to be "benchmarks" ("**Benchmarks**") and which may be used to determine the amounts payable under financial instruments or the value of such financial instruments, have, in recent years, been the subject of regulatory reform, including, without limitation, through the Benchmark Regulation.

The application of the Benchmark Regulation could adversely affect any Notes referencing a Benchmark, in particular if the methodology or other terms of the relevant Benchmark are changed in order to comply with the requirements of the Benchmark Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the "Benchmark". A Benchmark could also be discontinued as a result of the failure by a Benchmark administrator to be authorised or registered (or, if based outside the European Union, to be deemed equivalent or recognised or otherwise endorsed).

More broadly, any of the national or international reforms, or the general increased regulatory scrutiny of "Benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "Benchmark" and complying with any such regulations or requirements. Such factors may have the following effects on certain "Benchmarks": (i) discouraging market participants from continuing to

administer or contribute to the "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 national or international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a "Benchmark".

In addition, and as more fully described in paragraph 6 (*Benchmark Regulations and Reform*) of the "*Regulatory Information*" section, a number of reforms have been proposed which would change the manner of administration of Benchmarks, with the result that they may perform differently than in the past, or the Benchmark could be eliminated entirely, or there could be other consequences that cannot be predicted. The elimination of LIBOR or any other Benchmark, changes in the manner of administration of any Benchmark, or any other Benchmark Event (as defined in Condition 2(o) (*Benchmark replacement*)) could require or result in an adjustment to the interest calculation and related provisions of the Terms and Conditions as well as the Agency Agreement (as further described in Condition 2(o) (*Benchmark replacement*)), and could result in adverse consequences to holders of any Notes linked to such Benchmark (including Resettable Notes and Floating Rate Notes whose interest rates are linked to LIBOR or any other Benchmark that is or may become the subject of reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to a Benchmark may adversely affect Notes which reference such Benchmark including the return on the relevant Notes and the trading market for them.

The Terms and Conditions of the Notes provide for certain fall-back arrangements in the event that a published Benchmark, such as LIBOR, (including any page on which such Benchmark may be published (or any successor service)) becomes unavailable, including the possibility that the Rate of Interest could be set by the Issuer (without a requirement for the consent or approval of the Noteholders) by reference to a Successor Rate or an Alternative Rate and that such Successor Rate or Alternative Rate may be adjusted by an Adjustment Spread. In addition, no consent of the Holders shall be required in connection with any other related adjustments and/or amendments to the Terms and Conditions of the Notes (or any other document) which are made in order to effect any Successor Rate or Alternative Rate (as applicable).

In certain circumstances, the ultimate fall-back of interest for a particular Interest Period or Reset Period (as applicable) may result in the Rate of Interest for the last preceding Interest Period or Reset Period (as applicable) being used. This may result in the effective application of a fixed rate for Resettable Notes and Floating Rate Notes (as applicable). In addition, due to the uncertainty concerning the availability of Successor Rates and Alternative Rates and the involvement of an Independent Adviser (if applicable), the relevant fall-back provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of, and return on, any Notes to which the fall-back arrangements are applicable. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could adversely affect the ability of the Issuer to meet its obligations under the Resettable Notes and Floating Rate Notes (as applicable) or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Resettable Notes and Floating Rate Notes (as applicable).

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

Investors should be aware that the market continues to develop in relation to SONIA and SOFR as reference rates in the capital markets and their adoption as an alternative to sterling LIBOR and U.S. dollar LIBOR, respectively. In particular, market participants and relevant working groups are exploring alternative reference rates based on SONIA and SOFR, including term SONIA or SOFR reference rates

(which seek to measure the market's forward expectation of an average SONIA or SOFR rate over a designated term).

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 and a current preferred replacement rate to U.S. dollar LIBOR. The future performance of SOFR cannot be predicted based on its historical performance. The level of SOFR over the term of Floating Rate Notes may bear little or no relation to the historical level of SOFR. Prior observed patterns, if any, in the behaviour of market variables, such as correlations, may change in the future. While some pre-publication hypothetical performance data have been published by the Federal Reserve, such data inherently involve assumptions, estimates and approximations. The future performance of SOFR is impossible to predict and therefore no future performance of SOFR or Floating Rate Notes linked to or which reference a SOFR rate may be inferred from any of the hypothetical or actual historical performance data. Hypothetical or actual historical performance data are not indicative of, and have no bearing on, the potential performance of SOFR or Floating Rate Notes linked to or which reference a SOFR rate.

The market or a significant part thereof may adopt an application of SONIA and/or SOFR that differs significantly from that set out in the Terms and Conditions of the Notes. As each of SONIA and SOFR is published and calculated by third parties based on data received from other sources, the Issuer has no control over their respective determinations, calculations or publications. There can be no guarantee that SONIA and/or 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 or which reference a SONIA rate or a SOFR rate (or that any applicable benchmark fallback provisions provided for in the Terms and Conditions of the Notes will provide a rate which is economically equivalent for Noteholders). Neither the Bank of England nor the Federal Reserve has an obligation to consider the interests of Noteholders in calculating, adjusting, converting, revising or discontinuing SONIA or SOFR, respectively. If the manner in which SONIA and/or 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. Furthermore, the Rate of Interest payable on Floating Rate Notes which reference a SONIA rate or a SOFR rate is only capable of being determined at the end of the relevant Interest Period and shortly prior to the relevant Interest Payment Date. It may therefore be difficult for investors in Floating Rate Notes which reference a SONIA rate or a SOFR rate to reliably estimate the amount of interest which will be payable on such Notes. Further, in contrast to LIBOR-based Notes, if Notes referencing SONIA or SOFR become due and payable as a result of an Event of Default under Condition 11 (*Events of Default*), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall only be determined immediately prior to the date on which the Notes become due and payable and shall not be reset thereafter.

Investors should also be aware that the manner of adoption or application of SONIA or SOFR as reference rates in the international debt capital 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 or SOFR as reference rates across these markets may impact any hedging or other arrangements which they may put in place in connection with any acquisition, holding or disposal of Floating Rate Notes linked to or which reference a SONIA rate or a SOFR rate.

Since SONIA and SOFR are relatively new market indices (with publication of SOFR having only commenced on 3 April 2018, for example), Floating Rate Notes linked to or which reference a SONIA rate or a SOFR rate 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 linked to or which reference a SONIA rate or a SOFR rate may evolve over time and trading prices of such Notes may be

lower than those of the later issued Notes that are linked to or which reference a SONIA rate or a SOFR rate as a result. Further, if SONIA or SOFR do not prove to be widely used in securities like the Notes, the trading price of Floating Rate Notes linked to or which reference a SONIA rate or a SOFR rate may be lower than those of Notes linked to or which reference indices 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.

Investors should consider these matters when making their investment decision with respect to any such Floating Rate Notes linked to or which reference a SONIA rate or a SOFR rate.

OVERVIEW OF THE PROGRAMME

This overview constitutes a general description of the Programme for the purposes of Article 25.1(b) of Commission Delegated Regulation (EU) No. 2019/980, to be read in conjunction with the Prospectus Regulation.

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by the remainder of, this Base Prospectus (including any documents incorporated by reference) and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. Words and expressions defined or used in "Terms and Conditions of the Notes" shall have the same meaning in this overview.

Issuer	Euroclear Bank SA/NV ("**Euroclear Bank**" and the "**Issuer**").
Information relating to the Issuer	Euroclear Bank is a limited liability company of unlimited duration incorporated under Belgian law and registered with the Crossroads Bank for Enterprises under business identification number 0429.875.591. Its registered office is at Boulevard du Roi Albert II 1, 1210 Brussels, Belgium, telephone +32 (0)2 326 1211.
Information relating to the Programme	
Size	EUR 5,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any one time.
Arranger	J.P. Morgan Securities plc
Dealers	J.P. Morgan Securities plc Société Générale The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional Dealers either in respect of one or more Tranches or in respect of the whole Programme.
Fiscal Agent	Citibank, N.A., London Branch, or any other entity appointed from time to time by the Issuer as the Fiscal Agent pursuant to the terms of the Agency Agreement either in respect of the Programme, generally, or in respect of a particular issuance of Notes, in which case a different Fiscal Agent may be specified in the applicable Final Terms.
Paying Agent	Citibank Europe Plc, or any other entity appointed from time to time by the Issuer as the Paying Agent or an additional Paying Agent pursuant to the terms of the Agency Agreement, either in respect of the Programme, generally, or in respect of a particular issuance of Notes, in which case a different Paying Agent may be specified in the applicable Final Terms.
Agency Agreement	The agency agreement between the Issuer, the Fiscal Agent and the Paying Agent originally dated 25 June 2018, and as amended and restated on 13 September 2019.

Method of Issue	Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each, a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and principal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the Final Terms.
Issue Price	Notes may be issued at their principal amount or at a discount or premium to their principal amount.
Form of Notes	Notes will be issued in dematerialised form in accordance with Article 468 et seq. of the Belgian Companies Code (or, as soon as applicable, Article 7:35 *et seq*. of the New Company Code) via the book-entry system maintained in the records of the NBB as operator of the Securities Settlement System (as defined below).
Clearing Systems	The settlement system operated by the NBB or any successor thereto (the "**Securities Settlement System**"). Access to the Securities Settlement System is available through those of the participants in the Securities Settlement System whose membership extends to securities such as the Notes. Participants in the Securities Settlement System include certain banks (including, but not limited to, Euroclear Bank), stockbrokers (*beursvennootschappen/sociétés de bourse*) and investor CSDs Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream Banking, A.G., ("**Clearstream**"), Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários S.A. ("**INTERBOLSA**"), SIX SIS AG ("**SIX SIS**") and Monte Titoli S.p.A. ("**Monte Titoli**"). Accordingly, the Notes will be eligible to clear through, and therefore be accepted by, Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, INTERBOLSA, SIX SIS and Monte Titoli and investors can hold their interests in the Notes within securities accounts in Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, INTERBOLSA, SIX SIS and Monte Titoli.
Initial Delivery of Notes	Notes will be credited to the accounts held with the Securities Settlement System by Euroclear Bank (in its capacity as a

	participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, INTERBOLSA, SIX SIS, Monte Titoli or any other Securities Settlement System participants.
Currencies	Subject to compliance with all relevant laws, regulations and directives (including the rules of the Securities Settlement System), Notes may be issued in any currency agreed between the Issuer and the relevant Dealers.
Maturities	Subject to compliance with all relevant laws, regulations and directives, Senior Preferred Notes (as defined below) may be issued with any maturity from one month from the date of original issue and Senior Non-Preferred Notes (as defined below) may be issued with any maturity from one year from the date of original issue. Additionally, all Notes may be issued with no specified maturity.
Denomination	Notes will be in such denominations as may be specified in the applicable Final Terms, save that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area ("**EEA**") or offered to the public in an EEA Member State in circumstances which would otherwise require the publication of a prospectus under the Prospectus Regulation, the minimum specified denomination shall be EUR 100,000 (or its equivalent in any other currency as at the date of issue of the Notes).
Fixed Rate Notes	Fixed Rate Notes will bear interest at a fixed rate payable in arrear on the date or dates in each year specified in the applicable Final Terms. If an indication of yield is included in the applicable Final Terms, the yield of each Tranche of Fixed Rate Notes will be calculated on the basis of the relevant issue price at the relevant issue date. It is not an indication of future yield.
Resettable Notes	Interest will be payable in arrear on the dates specified in the Final Terms at the initial rate specified in the Final Terms, and thereafter the rate may be reset with respect to a specified time period by reference to the prevailing Mid-Swap Rate, Benchmark Gilt Rate or the CMT Rate (as indicated in the applicable Final Terms). The rate of interest may be reset on more than one occasion.
Floating Rate Notes	Floating Rate Notes will bear interest set separately for each Series as follows: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the ISDA Definitions (as defined below), as published by the International Swaps and Derivatives Association, Inc.; or (ii) by reference to EURIBOR, LIBOR, SOFR or SONIA (or such other benchmark as may be specified in the

	applicable Final Terms) as adjusted for any applicable margin as specified in the applicable Final Terms. Interest Periods will be specified in the applicable Final Terms.
Maximum or Minimum Rates of Interest	Floating Rate Notes may specify a Maximum Rate of Interest or a Minimum Rate of Interest, or both, as being applicable in the applicable Final Terms. If a Maximum Rate of Interest is specified, then the interest payable will in no case be higher than such rate and if a Minimum Rate of Interest is specified, then the interest payable will in no case be lower than such rate.
Fixed to Floating Rate Notes and Floating to Fixed Rate Notes	Notes may be issued under the Programme which bear a fixed rate of interest in respect of certain Interest Periods and a floating rate of interest in respect of other Interest Periods, as specified in the applicable Final Terms.
Zero Coupon Notes	Zero Coupon Notes will be issued at a price which is at a discount to their principal amount, and will not bear interest.
Redemption	Notes will be redeemed either (i) at 100% per Calculation Amount (as specified in the applicable Final Terms), or (ii) at an amount per Calculation Amount specified in the applicable Final Terms, provided that the amount so specified shall be at least 100% per Calculation Amount.
Optional Redemption	The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the Issuer or, if applicable, at the option of the Noteholder, and if so, the terms applicable to such redemption shall be as set out in the Terms and Conditions of such Notes, in accordance with the elections made in the applicable Final Terms.
Early Redemption	Except as provided in "Optional Redemption" above, Notes will be redeemable at the option of the Issuer prior to maturity for tax reasons. See Condition 3(e) (*Redemption upon the occurrence of a Tax Event*). If specified in the applicable Final Terms, Senior Non-Preferred Notes (as defined below) may be subject to a mandatory early redemption upon the occurrence of a MREL Disqualification Event. See Condition 3(f) (*Redemption of Senior Non-Preferred Notes upon the occurrence of a MREL Disqualification Event*).
Status of Notes	The Notes may be either senior preferred notes (the "**Senior Preferred Notes**") or senior non-preferred notes ("**Senior Non-Preferred Notes**"), in each case as specified in the relevant Final Terms. ***Senior Preferred Notes**:* The Senior Preferred Notes will be direct, unconditional and unsecured obligations of the Issuer and rank at all times (i) *pari passu*, without any preference among themselves, and with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, which will fall or are expressed to fall within the category of obligations described in article

389/1, 1° of the Belgian Banking Law, but, in the event of insolvency, only to the extent permitted by laws relating to creditors' rights, (ii) senior to Senior Non-Preferred Obligations of the Issuer and any obligations ranking *pari passu* with or junior to Senior Non-Preferred Obligations and (iii) junior to all present and future claims as may be preferred by laws of general application.

Where:

"**Senior Non-Preferred Obligations**" means any obligations or other instruments issued by the Issuer which fall or are expressed to fall within the category of obligations described in article 389/1, 2° of the Belgian Banking Law.

***Senior Non-Preferred Notes**:*

The Senior Non-Preferred Notes are issued pursuant to the provisions of article 389/1, 2° of the Belgian Banking Law. The Senior Non-Preferred Notes will be direct, unconditional and unsecured (*chirographaires/chirografaire*) obligations of the Issuer and rank at all times (i) *pari passu*, without any preference among themselves, and with all other Senior Non-Preferred Obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by laws relating to creditors' rights, (ii) senior to any subordinated obligations of the Issuer and (iii) junior to present or future claims of (a) depositors of the Issuer, (b) other unsubordinated creditors of the Issuer that are not creditors in respect of Senior Non-Preferred Obligations of the Issuer and (c) all other present and future claims as may be preferred by laws of general application.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*liquidation judiciaire*) of the Issuer, the Noteholders will have a right to payment under the Senior Non-Preferred Notes (including for any damages awarded for breach of any obligations under the Terms and Conditions) (i) only after, and subject to, payment in full of holders of Senior Preferred Notes and other present and future claims benefiting from legal or statutory preferences or otherwise ranking in priority to Senior Non-Preferred Obligations and (ii) subject to such payment in full, in priority to holders of any subordinated obligations of the Issuer and other present and future claims otherwise ranking junior to Senior Non-Preferred Obligations.

It is the intention of the Issuer that the Senior Non-Preferred Notes shall be treated, for regulatory purposes, as MREL-Eligible Instruments under the Applicable MREL Regulations. For this reason the Senior Non-Preferred Notes must include the following characteristics: (i) they do not include embedded derivatives or do not constitute derivatives (it being understood that debt instruments with a floating rate derived from a generally used reference rate and debt instruments expressed in

currency other than the national currency of the Issuer, provided that principal, repayment and interest are expressed in the same currency, may not merely on the basis of these characteristics be considered debt instruments including embedded derivatives); (ii) their maturity may not be less than one year; and (iii) the issuance terms must expressly provide that the claim is unsecured (*chirographaire/chirografair*) and that their ranking is as set forth in Article 389/1, 2° of the Belgian Banking Law.

Where:

"**Applicable MREL Regulations**" means, at any time, the laws, regulations, requirements, guidelines and policies giving effect to MREL.

"**MREL**" means the "minimum requirement for own funds and eligible liabilities" for banking institutions under the Directive 2014/59/EU of the European Parliament and of the Council, establishing an EU-wide framework for the recovery and resolution of credit institutions and investment firms, as set in accordance with Article 45 of such Directive (as transposed in article 459 of the Belgian Banking Law) and Commission Delegated Regulation (C(2016) 2976 final) of 23 May 2016, as amended or replaced from time to time (including by national legislation transposing or implementing Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019).

"**MREL-Eligible Instrument**" means an instrument that is eligible to be counted towards the MREL of the Issuer in accordance with Applicable MREL Regulations.

Subject to applicable law, no Noteholder may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Senior Non-Preferred Notes or, in the case of Senior Preferred Notes, where Waiver of Set-Off is specified as being applicable in the relevant Final Terms and each Noteholder shall, by virtue of its subscription, purchase or holding of a Senior Non-Preferred Note or a relevant Senior Preferred Note, be deemed to have waived all such rights of set-off.

Cross Default None.

Negative Pledge None.

Ratings The Programme has been rated AA in respect of Senior Preferred Notes and AA- in respect of Senior Non-Preferred Notes by S&P Global Ratings Europe Limited ("**S&P**") and AA+ in respect of Senior Preferred Notes by Fitch Ratings Ltd. ("**Fitch**").

Each of Fitch and S&P is established in the European Union and is included in the updated list of credit rating agencies registered in accordance with the CRA Regulation published on

	the European Securities and Markets Authority's ("**ESMA**") website (http://www.esma.europa.eu/) (on or about the date of this Base Prospectus). Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the applicable Final Terms. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the ratings assigned to Notes already issued under the Programme. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the applicable Final Terms. 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.
Withholding Tax	All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of Belgium unless the withholding is required by law. In such event, the Issuer shall, subject to certain exceptions, pay such additional amounts as shall result in receipt by the Noteholder of such amounts in respect of principal and interest, or interest only in case of Senior Non-Preferred Notes and Senior Preferred Notes where "Senior Preferred Notes Restricted Gross Up" is specified as being applicable in the relevant Final Terms, as would have been received by it had no such withholding been required, all as described in Condition 5 (*Taxation*).
Governing Law	English law save that (i) any matter relating to title to, and the dematerialised form of, Notes, and any non-contractual obligations arising out of or in connection with title to, and any matter relating to the dematerialised form of, Notes, and (ii) Conditions 1, 6, 11 and Schedule 1 to the Notes shall be governed by, and construed in accordance with, Belgian law. Each Noteholder (which includes any current or future holder of a beneficial interest in the Notes) acknowledges and accepts that any liability arising under the Notes may be subject to the Bail-in Power (as defined in Condition 15(d) (*Acknowledgement and Consent of the Bail-in Power*)) by the Relevant Resolution Authority (as defined in Condition 2(m) (*Definitions*)), and acknowledges and accepts to be bound by (i) the variation of the Terms and Conditions of the Notes, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Bail-in Power by the Relevant Resolution Authority and (ii) the effect of the exercise of the Bail-in Power by the Relevant Resolution Authority.

Listing and Admission to Trading	Application will be made, where specified in the applicable Final Terms, for a Series of Notes to be admitted to the Official List and to trading on the Regulated Market.
Selling Restrictions	United States, European Economic Area, United Kingdom, Belgium, Japan and Singapore. See "Subscription and Sale". The debt securities of Euroclear Bank are eligible for Category 2 for the purposes of Regulation S under the Securities Act. Unless the Final Terms in respect of any Notes specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", the Notes may not be addressed to EEA Retail Investors. See "Subscription and Sale". The Notes are not intended to be offered, sold or otherwise made available to, and will not be offered, sold or otherwise made available, in Belgium, to "consumers" (*consommateurs/ consumenten*) within the meaning of the Belgian Code of Economic Law (*Code de droit économique/Wetboek van Economisch Recht*).
Use of Proceeds	The net proceeds of the issue of the Notes will be primarily used to improve the Issuer's liquidity position by increasing the Issuer's qualifying liquid resources as stipulated in the CSDR. It is anticipated that the net proceeds of the Notes may also be used as an alternative, and in some cases, a substitute, to the existing contingent liquidity facilities which are made available to the Issuer, and for general corporate purposes.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the information set out in the table below which, for the avoidance of doubt, includes the relevant page references for:

(i) the audited, unconsolidated accounts of Euroclear Bank for the year ended 31 December 2016, including the reports of the statutory auditors in respect thereof, which are electronically published on Euroclear's website at https://www.euroclear.com/investorrelations/en/annual-reports.html;

(ii) the audited, unconsolidated accounts of Euroclear Bank for the year ended 31 December 2017, including the reports of the statutory auditors in respect thereof, which are electronically published on Euroclear's website at https://www.euroclear.com/investorrelations/en/annual-reports.html;

(iii) the audited, unconsolidated accounts of Euroclear Bank for the year ended 31 December 2018, including the reports of the statutory auditors in respect thereof, which are electronically published on Euroclear's website at https://www.euroclear.com/investorrelations/en/annual-reports.html; and

(iv) the terms and conditions of the Notes as set out on pages 43 to 85 (inclusive) of the base prospectus dated 25 June 2018 prepared by the Issuer in connection with the Programme.

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

The documents incorporated by reference into this Base Prospectus have all been filed with the CBI. Potential investors in the Notes should be aware that any website referred to in this document does not form part of this Base Prospectus and has not been scrutinised or approved by the CBI.

Unconsolidated Financial Statements of the Issuer as of and for the year ended 31 December 2018

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Unconsolidated Financial Statements of the Issuer as of and for the year ended 31 December 2016

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the Terms and Conditions of the Notes, save for the paragraphs in italics that shall not form part of the Terms and Conditions of the Notes. In the case of any Series of Notes which are admitted to trading on a regulated market in a Member State, the applicable Final Terms shall not amend or replace any information in this Base Prospectus. Subject to this, to the extent permitted by applicable law and/or regulation, the Final Terms in respect of any Series of Notes may complete any information in this Base Prospectus.

References in these terms and conditions (the "**Terms and Conditions**") to "**Notes**" are to the Notes of one Series only, not to all Notes that may be issued under Euroclear Bank SA/NV's Euro 5,000,000,000 Euro Medium Term Note Programme (the "**Programme**"). All capitalised terms which are not defined in these Terms and Conditions will have the meanings given to them or refer to information specified in Part A of the applicable Final Terms.

The Notes are issued pursuant to an agency agreement originally dated 25 June 2018 and as amended and restated on or about 13 September 2019 (as amended or supplemented as at the date of issue of the Notes (the "**Issue Date**"), the "**Agency Agreement**") between Euroclear Bank SA/NV ("**Euroclear Bank**" or the "**Issuer**") and Citibank, N.A., London Branch in its capacity as fiscal agent for the Notes (in such capacity, the "**Fiscal Agent**", which term shall include any successor fiscal agent appointed as the Fiscal Agent from time to time pursuant to the terms of the Agency Agreement), and the other agents named in it or appointed from time to time pursuant to the terms thereof. The paying agents and the calculation agent(s) for the time being (if any) are referred to below, respectively, as the "**Paying Agents**" (which expression shall, unless the context requires otherwise, include the Fiscal Agent) and the "**Calculation Agent(s)**". The Noteholders (as defined below) are deemed to have notice of all of the provisions of the Agency Agreement applicable to them. As used in these Terms and Conditions, "**Tranche**" means Notes which are identical in all respects (or in all respects except for the date for and amount of the first payment of interest).

Copies of the Agency Agreement are available for inspection free of charge at the specified offices of each of the Paying Agents.

1 Form, Denomination and Title

The Notes are issued in dematerialised form in the Specified Denomination(s) set out in the applicable Final Terms **provided that** in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which would otherwise require the publication of a prospectus under the Prospectus Regulation, the minimum Specified Denomination shall be €100,000 (or, in each case, its equivalent in any other currency as at the date of issue of the relevant Notes).

In these Terms and Conditions, "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

Notes are issued in dematerialised form via a book-entry system maintained in the records of the National Bank of Belgium (the "**NBB**") as operator of the Securities Settlement System in accordance with Article 468 and following of the Belgian Companies Code (or, as soon as applicable, Article 7:35 of the New Company Code) and will be credited to the accounts held with the Securities Settlement System by Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream Banking A.G. ("**Clearstream**"), Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários S.A. ("**INTERBOLSA**"), SIX SIS AG ("**SIX SIS**"), Monte Titoli S.p.A. ("**Monte Titoli**") or other Securities Settlement System participants for credit by Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the

Securities Settlement System), Clearstream, INTERBOLSA, SIX SIS, Monte Titoli or other Securities Settlement System participants to the securities accounts of their subscribers.

In these Terms and Conditions, "**Securities Settlement System**" means the settlement system operated by the NBB or any successor thereto.

Transfers of Notes will be effected only through records maintained by the Securities Settlement System, Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, INTERBOLSA, SIX SIS and Monte Titoli or other Securities Settlement System participants and in accordance with the applicable procedures of the Securities Settlement System, Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, INTERBOLSA, SIX SIS and Monte Titoli or other Securities Settlement System participants. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it and no person shall be liable for so treating the holder.

In these Terms and Conditions and the applicable Final Terms, "**Noteholder**" and "**holder**" mean in respect of a Note, the person evidenced as holding the Note by the book-entry system maintained in the records of the NBB.

If, at any time, the Notes are transferred to any other clearing system which is not exclusively operated by the NBB (such clearing system an "**Alternative Clearing System**"), these Terms and Conditions shall apply *mutatis mutandis* in respect of such Notes.

2 Interest and Other Calculations

The Notes may be a Fixed Rate Note, a Resettable Note, a Floating Rate Note or a Zero Coupon Note, or any combination of the foregoing, depending upon the Interest Basis which is specified in the applicable Final Terms.

(a) Rate of Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding principal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal (subject as provided in Condition 2(h)) to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 2(i).

(b) Rate of Interest on Resettable Notes

Each Resettable Note bears interest on its outstanding principal amount:

(A) from and including the Interest Commencement Date to but excluding the First Resettable Note Reset Date at the rate per annum (expressed as a percentage) equal to the Initial Rate of Interest;

(B) at the First Reset Rate of Interest from and including the First Resettable Note Reset Date, to but excluding:

(i) the Second Resettable Note Reset Date, if such a "Second Resettable Note Reset Date" is specified in the applicable Final Terms; or

(ii) the Maturity Date, if no such "Second Resettable Note Reset Date" is specified in the applicable Final Terms; and

(C) for each Subsequent Reset Period (if any), at the relevant Subsequent Reset Rate of Interest in respect of such "Subsequent Reset Period" as specified in the applicable Final Terms,

such interest being payable in arrear on each Resettable Note Interest Payment Date.

The amount of interest payable shall, in each case, be determined in accordance with Condition 2(i).

(c) Rate of Interest on Floating Rate Notes

(A) **General.** Each Floating Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The Reference Rate in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in accordance with the provisions below relating to either ISDA Determination or Screen Rate Determination, as specified in the applicable Final Terms. The Rate of Interest shall be determined in accordance with the applicable provisions of this Condition 2(c) and the amount of interest payable shall be determined in accordance with Condition 2(i).

(B) **ISDA Determination.** Where "ISDA Determination" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (B), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(i) the Floating Rate Option is as specified in the applicable Final Terms;

(ii) the Designated Maturity is as specified in the applicable Final Terms; and

(iii) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the applicable Final Terms.

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

(C) **Screen Rate Determination**.

(i) If "Screen Rate Determination: Applicable – Term Rate" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided in Condition 2(h) and Condition 2(o) below, be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

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

the arithmetic mean of such offered quotations. The amount of interest payable shall be determined in accordance with Condition 2(i).

For the purposes of the foregoing (other than for Resettable Notes):

a. if the Relevant Screen Page is not available or if sub-paragraph (C)(i)(1) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (C)(i)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Eurozone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

b. if sub-paragraph (C)(i)(a) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Eurozone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are, in the opinion of the Issuer, suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Eurozone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of

Interest shall be determined as at the last preceding Interest Determination Date or (in the case of the first Interest Period to which a floating Rate of Interest applies under Fixed to Floating Rate Notes) the last observable rate for the Reference Rate which appeared on the Relevant Screen Page prior to the Interest Determination Date in question (though substituting, in any such case, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(ii) If "Screen Rate Determination: Applicable – Overnight Rate" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined:

(1) where the Calculation Method in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being "Compounded Daily", the Rate of Interest for each Interest Accrual Period will, subject as provided in Condition 2(h) and Condition 2(o) below, be the Compounded Daily Reference Rate plus or minus (as indicated in the applicable Final Terms) the Margin, where:

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

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

where:

"**D**" is the number specified in the applicable Final Terms;

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

"$\mathbf{d_o}$" is the number of Banking Days in the relevant Interest Accrual Period;

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

"**Banking Day**" or "**BD**" means:

a. where in the applicable Final Terms "SONIA" is specified as the Reference Rate, any day (other than a Saturday or Sunday) on which

commercial banks and foreign exchange markets are open for general business and to settle payments in London; or

b. where in the applicable Final Terms "SOFR" is specified as the Reference Rate, a U.S. Government Securities Business Day;

"$\mathbf{n}_i$", for any Banking Day "i", means the number of calendar days from and including such Banking Day "i" up to but excluding the following Banking Day;

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

a. where "Lag" is specified as the Observation Method in the applicable Final Terms, the number of Banking Days included in the Observation Look-Back Period specified in the applicable Final Terms (or, if no such number is specified, five Banking Days);

b. where "Lock-out" is specified as the Observation Method in the applicable Final Terms, zero;

"**r**" means:

a. where in the applicable Final Terms "SONIA" is specified as the Reference Rate and "Lag" is specified as the Observation Method, in respect of any Banking Day, SONIA in respect of such Banking Day;

b. where in the applicable Final Terms "SOFR" is specified as the Reference Rate and "Lag" is specified as the Observation Method, in respect of any Banking Day, SOFR in respect of such Banking Day;

c. where in the applicable Final Terms "SONIA" is specified as the Reference Rate and "Lock-out" is specified as the Observation Method:

   1. in respect of any Banking Day "i" that is a Reference Day, SONIA in respect of the Banking Day immediately preceding such Reference Day, and

   2. in respect of any Banking Day "i" that is not a Reference Day (being a Banking Day in the Lock-out Period), SONIA in respect of the Banking Day immediately preceding the last Reference Day of the relevant Interest Accrual Period (such last Reference Day coinciding with the Interest Determination Date); and

d. where in the applicable Final Terms "SOFR" is specified as the Reference Rate and "Lock-out" is specified as the Observation Method:

   1. in respect of any Banking Day "i" that is a Reference Day, the SOFR in respect of the Banking Day immediately preceding such Reference Day, and

   2. in respect of any Banking Day "i" that is not a Reference Day (being a Banking Day in the Lock-out Period), the SOFR in respect of the Banking Day immediately preceding the last Reference Day of the relevant Interest Accrual Period (such last Reference Day coinciding with the Interest Determination Date); and

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

"**SOFR**" means, in respect of any Banking Day, a reference rate equal to:

a. the daily Secured Overnight Financing Rate as published by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) (the "**daily Secured Overnight Financing Rate**") on the New York Fed's Website at or about 5:00 p.m. (New York City time) on the next succeeding Banking Day; or

b. if the daily Secured Overnight Financing Rate is not published and no SOFR Index Cessation Event has occurred, the SOFR for the first preceding Banking Day on which the SOFR was published on the New York Fed's Website and "r" shall be interpreted accordingly; or

c. if the daily Secured Overnight Financing Rate is not published and a SOFR Index Cessation Event has occurred, the Reference Rate will be the rate (inclusive of any spreads or adjustments) 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 by 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), provided that:

   1. subject to sub-paragraph 2 below, if a SOFR Index Cessation Event occurs and no such rate has been recommended within one Banking Day of the occurrence of the SOFR Index Cessation Event, then the Reference Rate will be determined as if, for each Banking Day occurring on or after the date of such SOFR Index Cessation Event, references in Condition 2(c)(C)(ii) to:

      i. "SOFR" were references to the daily Overnight Bank Funding Rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate), on the New York Fed's Website on or about 5:00 p.m. (New York City time) on each 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 City Banking Day**") in respect of the New York City Banking Day immediately preceding such day ("**OBFR**"); and

      ii. "U.S. Government Securities Business Day" were references to "New York City Banking Day", and

2. if the rate specified in sub-paragraph 1 above is not provided and a Benchmark Event occurs with respect to OBFR (the "**OBFR Benchmark Event**"), then the Reference Rate will be determined as if, for each Business Day occurring on or after the date of such OBFR Benchmark Event, references in Condition 2(c)(C)(ii) to:

   i. "SOFR" were references to the short-term interest rate target set by the Federal Open Market Committee and published on the website of the Board of Governors of the Federal Reserve System currently at http://www.federalreserve.gov, or any successor website of the Board of Governors of the Federal Reserve System (the "**Federal Reserve's Website**") or, if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee and published on the Federal Reserve's Website (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, 0.005 being rounded upwards);

   ii. "U.S. Government Securities Business Day" were references to "New York City Banking Day"; and

   iii. the "New York Fed's Website" were references to the "Federal Reserve's Website".

For the avoidance of doubt, limb (c) of this definition of SOFR will apply prior to the application of Condition 2(o) (if applicable).

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

a. 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;

b. 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

c. 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,

provided that the SOFR Index Cessation Event shall occur on the date of the cessation of publication of the daily Secured Overnight Financing Rate, or the date as of which the daily Secured Overnight Financing Rate may no longer be used, as the case may be.

"**SONIA**" means, subject to paragraphs (iii) to (vi) below, in respect of any Banking Day, a reference rate equal to the daily Sterling Overnight Index Average rate for such 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 in each case on the Banking Day immediately following such Banking Day.

(2) where the Calculation Method in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being "Weighted Average", the Rate of Interest for each Interest Accrual Period will, subject as provided in Condition 2(h) and Condition 2(o) below, be the Weighted Average Reference Rate (as defined below) plus or minus (as indicated in the applicable Final Terms) the Margin and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the Interest Determination Date and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards, where:

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

a. where "Lag" is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Observation Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Observation Period. For these purposes the Reference Rate in effect for any calendar day which is not a Banking Day shall be deemed to be the Reference Rate in effect for the Banking Day immediately preceding such calendar day; and

b. where "Lock-out" is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Interest Accrual Period, calculated by multiplying each relevant Reference Rate by the number of days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Accrual Period, provided however that for any calendar day of such Interest Accrual Period falling in the "Lock-out Period", the relevant Reference Rate for each day during that Lock-out Period will be deemed to be the Reference Rate in effect for the Reference Day immediately preceding the first day of such Lock-out Period. For these purposes the Reference Rate in effect for any calendar day which is not a Banking Day shall, subject to the proviso above, be deemed to be the Reference Rate in effect for the Banking Day immediately preceding such calendar day.

For the avoidance of doubt, terms defined in Condition 2(c)(C)(ii)(1) shall, unless expressly provided or the context requires otherwise, have the same meaning when used or referred to in (or where such terms are otherwise relevant to) the other Conditions.

(iii) Subject to Condition 2(o) below, where "SONIA" is specified as the Reference Rate in the applicable Final Terms, if, in respect of any Banking Day, the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) determines that SONIA is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such Reference Rate shall be the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant Banking Day plus the mean of the spread of SONIA to the Bank Rate over the previous five days on which SONIA has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

(iv) Notwithstanding paragraph (iii) above and subject to Condition 2(o) below, in the event the Bank of England publishes guidance as to (i) how the SONIA reference rate is to be determined; or (ii) any rate that is to replace SONIA, the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) shall, to the extent that it is reasonably practicable, follow such guidance in order to determine SONIA for any Banking Day "i" for the purposes of the relevant Series of Notes for so long as SONIA is not available or has not been published by the authorised distributors.

(v) In the event that SONIA cannot be determined by the Calculation Agent (or such party responsible for the calculation of the Rate of Interest, as specified in the Final Terms) in accordance with the foregoing provisions, but without prejudice to Condition 2(o), the Rate of Interest shall be:

(1) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest (as the case may be) is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Accrual Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period); or

(2) 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 Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period).

(vii) If any Series of Notes for which "Screen Rate Determination: Applicable – Overnight Rate" is applicable or for which the Calculation Method is specified as being "Weighted Average" becomes due and payable in accordance with Condition 11, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes became due

and payable (with corresponding adjustments being deemed to be made to the Compounded Daily Reference Rate formula) and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(D) **Margin, Minimum Rate of Interest, Maximum Rate of Interest.** The determination of the Rate of Interest pursuant to Condition 2(c) above shall be subject to the following:

(i) If any Margin is specified in the applicable Final Terms (either (1) generally, or (2) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (1), or the Rate of Interest for the specified Interest Accrual Periods, in the case of (2), by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin.

(ii) If any Maximum Rate of Interest is specified, the Rate of Interest shall be the lesser of (1) the rate determined in accordance with Condition 2(c)(A), 2(c)(B) or 2(c)(C), as applicable, and (2) such Maximum Rate of Interest.

(iii) If any Minimum Rate of Interest is specified, the Rate of Interest shall be the greater of (1) the rate determined in accordance with Condition 2(c)(A), 2(c)(B) or 2(c)(C), as applicable, and (2) such Minimum Rate of Interest.

(d) Change of Interest Basis - Rate of Interest on Fixed to Floating Rate Notes or Floating to Fixed Rate Notes

(A) **Fixed to Floating Rate Notes.** If the Notes are specified as "Fixed to Floating Rate Notes" in the applicable Final Terms, interest shall accrue and be payable on such Notes:

(i) with respect to the first Interest Period and such subsequent Interest Periods as are specified for this purpose in the applicable Final Terms at a fixed Rate of Interest in accordance with Condition 2(a) and the applicable Final Terms; and

(ii) with respect to each Interest Period thereafter, at a floating Rate of Interest in accordance with Condition 2(c) and the applicable Final Terms.

(B) **Floating to Fixed Rate Notes.** If the Notes are specified as "Floating to Fixed Rate Notes" in the applicable Final Terms, interest shall accrue and be payable on such Notes:

(i) with respect to the first Interest Period and such subsequent Interest Periods as are specified for this purpose in the applicable Final Terms at a floating Rate of Interest in accordance with Condition 2(c) and the applicable Final Terms; and

(ii) with respect to each Interest Period thereafter, at a fixed Rate of Interest in accordance with Condition 2(a) and the applicable Final Terms.

(e) Zero Coupon Notes

Where a Note the Rate of Interest of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Zero Coupon Note Redemption Amount (as defined in Condition 3(b)). As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as set out in the applicable Final Terms).

(f) Accrual of Interest

Interest shall cease to accrue on each Note on the due date for redemption, unless payment of principal is improperly withheld or refused on the due date thereof, in which event interest shall continue to

accrue (both before and after judgment) at the Rate of Interest (or, in the case of Resettable Notes, at the First Reset Rate of Interest or (if there is one) at the last Subsequent Reset Rate of Interest) in the manner provided in this Condition 2 to the Relevant Date.

As used in these Terms and Conditions, the "**Relevant Date**" in respect of any payment means whichever is the later of (A) the date on which such payment first becomes due, and (B), (if any amount of the money payable is improperly withheld or refused) the date on which the full amount of such moneys outstanding is paid or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that such payment will be made.

(g) Business Day Convention

If any date referred to in these Terms and Conditions that is specified to be subject to adjustment in accordance with a business day convention ("**Business Day Convention**") would otherwise fall on a day that is not a Business Day, then, such date shall be postponed to the next day that is a Business Day (the "**Following Business Day Convention**").

(h) Rounding

For the purposes of any calculations required pursuant to these Terms and Conditions (unless otherwise specified), (A) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (B) all figures shall be rounded to seven significant figures (with halves being rounded up), and (C) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up, save in the case of Japanese yen, which shall be rounded down to the nearest Japanese yen). For these purposes "**unit**" means, the lowest amount of such currency that is available as legal tender in the country of such currency.

(i) Calculations for Notes

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest (or, in the case of Resettable Notes, the Initial Rate of Interest, the First Reset Rate of Interest or any Subsequent Reset Rate of Interest), the Calculation Amount specified in the applicable Final Terms, and the Day Count Fraction for such Interest Accrual Period, unless a Fixed Coupon Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Fixed Coupon Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Fixed Coupon Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

Notwithstanding the previous paragraph, for so long as a Series of Notes is held in the Securities Settlement System, the method of calculation provided for above shall apply save that the calculation shall be made in respect of the total aggregate amount of the relevant Series of Notes.

(j) Fallback Provision for Resettable Notes

If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, then subject to Condition 2(o) the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of

the Specified Currency on the Reset Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 2(j):

(A) in the case of the first Reset Determination Date only, the First Reset Rate of Interest shall be equal to the sum of:

(i) if "Initial Mid-Swap Rate Final Fallback" is specified in the applicable Final Terms as being applicable, (1) the Initial Mid-Swap Rate and (2) the First Margin;

(ii) if "Reset Period Maturity Initial Mid-Swap Rate Final Fallback" is specified in the applicable Final Terms as being applicable, (1) the Reset Period Maturity Initial Mid-Swap Rate and (2) the First Margin; or

(iii) if "Last Observable Mid-Swap Rate Final Fallback" is specified in the applicable Final Terms as being applicable, (1) the last observable rate for swaps in the Specified Currency with a term equal to the relevant Reset Period which appears on the Relevant Screen Page and (2) the First Margin;

provided that (in the case of an issue of Senior Non-Preferred Notes) if the application of sub-paragraphs (A)(ii) or (A)(iii) could, in the determination of the Issuer, reasonably be expected to prejudice the qualification of the relevant Series of Senior Non-Preferred Notes as MREL-Eligible Instruments (as defined in Condition 3(e)) or to result in the Lead Regulator and/or the Relevant Resolution Authority treating the next Interest Payment Date or Reset Date, as the case may be, as the effective maturity of the Notes, rather than the relevant Maturity Date, then sub-paragraph (A)(i) above will apply; or

(B) in the case of any Reset Determination Date other than the first Reset Determination Date, the Subsequent Reset Rate of Interest shall be equal to the sum of:

(i) if "Subsequent Reset Rate Mid-Swap Rate Final Fallback" is specified in the applicable Final Terms as being applicable, (1) the Mid-Swap Rate determined on the last preceding Reset Interest Determination Date and (2) the Subsequent Margin; or

(ii) if "Subsequent Reset Rate Last Observable Mid-Swap Rate Final Fallback" is specified in the applicable Final Terms as being applicable, (1) the last observable rate for swaps in the Specified Currency with a term equal to the relevant Reset Period which appears on the Relevant Screen Page and (2) the Subsequent Margin, provided that (in the case of an issue of Senior Non-Preferred Notes) if its application, in the determination of the Issuer, could reasonably be expected to prejudice the qualification of the relevant Series of Senior Non-Preferred Notes as MREL-Eligible Instruments or to result in the Lead Regulator and/or the Relevant Resolution Authority treating the next Interest Payment Date or Reset Date, as the case may be, as the effective maturity of the Notes, rather than the relevant Maturity Date, then sub-paragraph (B)(i) above will apply,

all as determined by the Calculation Agent taking into consideration all available information that it in good faith deems relevant.

For the purposes of this Condition 2(j), "**Reference Banks**" means the principal office in the principal financial centre of the Specified Currency of four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer on the advice of an investment bank of international repute.

(k) Linear interpolation

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

For the purposes of this Condition 2(k), "**Designated Maturity**" means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(l) Determination and Publication of Rates of Interest, Interest Amounts and Redemption Amounts

The Calculation Agent shall, as soon as practicable on each date as the Calculation Agent may be required to calculate any rate or amount, obtain any quote or make any determination or calculation (and, in the case of Resettable Notes, each Reset Determination Date), determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period or Reset Period, calculate the Redemption Amount, obtain such quote or make such determination or calculation, as the case may be, and cause the Rate of Interest, the Reset Rate of Interest and the Interest Amounts for each Interest Accrual Period or Reset Period and the relevant Interest Payment Date or Resettable Note Interest Payment Date and, if required to be calculated, the Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (A) the commencement of the relevant Interest Period and/or Reset Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest, Reset Rate of Interest and Interest Amount, or (B) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date, Resettable Note Interest Payment Date, Reset Date or Interest Period Date is subject to adjustment pursuant to Condition 2(g), the Interest Amounts and the Interest Payment Date or Resettable Note Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period or Reset Period. If the Notes become due and payable under Condition 11, the accrued interest and the Rate of Interest or Reset Rate of Interest payable in respect of the Notes shall, subject to Condition 2(C)(c)(vii), nevertheless continue to be calculated as previously in accordance with this Condition 2 but no publication of the Rate of Interest, Reset Rate of Interest or the Interest Amount so calculated need be made. The determination of each Rate of Interest, Interest Amount and Redemption Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(m) Definitions

In these Terms and Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Benchmark Frequency**" has the meaning given to it in the applicable Final Terms.

"**Benchmark Gilt**" means, in respect of a Reset Period, such United Kingdom government security having an actual or interpolated maturity date on or about the last day of such Reset Period as the Issuer after consultation with the Calculation Agent, on the advice of an independent financial institution of international repute, may determine would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in sterling and of a comparable maturity to the relevant Reset Period.

"**Benchmark Gilt Rate**" means, in respect of a Reset Period, the gross redemption yield as calculated by the Calculation Agent on the basis set out by the United Kingdom Debt Management Office in the paper "Formulae for Calculating Gilt Prices from Yields", page 5, Section One: Price/Yield Formulae "Conventional Gilts; Double dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date" (published 8 June 1998, as amended or updated from time to time or if such basis is no longer in customary market usage at such time, in accordance with generally accepted market practice at such time) on a semi-annual compounding basis (rounded up (if necessary) to four decimal places) of the Benchmark Gilt in respect of that Reset Period, with the price of the Benchmark Gilt for this purpose being the arithmetic average (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered prices of such Benchmark Gilt quoted by the Reset Reference Banks at 3.00 p.m. (London time) on the relevant Reset Determination Date on a dealing basis for settlement on the next following dealing day in London. If at least four quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two or three quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Benchmark Gilt Rate will be the rounded quotation provided. If no quotations are provided, the Benchmark Gilt Rate will be determined by an independent financial institution of international repute in its sole discretion following consultation with the Issuer.

"**Business Day**" means (A) in relation to all Notes other than those denominated in euro, a day (other than a Saturday or Sunday) on which (i) commercial banks and foreign exchange markets settle payments in Belgium, and (ii) commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the currency in which the relevant Notes are denominated, and (B) in relation to Notes denominated in euro, a day (other than a Saturday or Sunday) (i) on which banks and forex markets are open for general business in Belgium, and (ii) on which the Securities Settlement System is operating, and (iii) (if a payment in Euro is to be made on that day) which is a day on which the TARGET 2 System is operating (a "**TARGET Business Day**"), and in relation to both (A) and (B) above, such other day as may be agreed between the Issuer and the relevant Dealer(s) or the Lead Manager on behalf of the relevant Dealers (as the case may be) and specified in the Final Terms.

"**Calculation Amount**" means the amount specified as such in the applicable Final Terms.

"**CMT Designated Maturity**" has the meaning given to it in the applicable Final Terms.

"**CMT Rate**" means, in relation to a Reset Period and the Reset Determination Date in relation to such Reset Period, the rate determined by the Calculation Agent, and expressed as a percentage, equal to:

(A) the yield for United States Treasury Securities at "constant maturity" for the CMT Designated Maturity, as published in the H.15(519) under the caption "treasury constant maturities (nominal)", as that yield is displayed on the CMT Rate Screen Page on such Reset Determination Date; or

(B) if the yield referred to in sub-paragraph (A) above is not published by 4:00 p.m. (New York City time) on the CMT Screen Page on such Reset Determination Date, the yield for the United States Treasury Securities at "constant maturity" for the CMT Designated Maturity as published in the H.15(519) under the caption "treasury constant maturities (nominal)" on such Reset Determination Date; or

(C) if the yield referred to in sub-paragraph (B) above is not published by 4:30 p.m. (New York City time) on such Reset Determination Date, the Reset Reference Bank Rate on such Reset Determination Date.

"**CMT Rate Screen Page**" means the relevant page specified in the relevant Final Terms or any successor service or such other page as may replace that page on that service for the purpose of displaying "treasury constant maturities" as reported in H.15(519).

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the "**Calculation Period**") (and **provided that** (x) the Day Count Fraction for any Floating Rate Notes denominated in Euro shall be Actual/360 (as defined below), and (y) the Day Count Fraction for any Notes denominated in Euro with a maturity of one year or less shall be Actual/360 (as defined below)):

(A) if "Actual/Actual" or "Actual/Actual-ISDA" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(B) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;

(C) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;

(D) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

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

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1, is greater than 29, in which case D_2 will be 30;

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

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30;

(F) if "30E/360 (ISDA)" is specified in the applicable Final Terms the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30;

(G) if "Actual/Actual-ICMA" is specified in the applicable Final Terms,

(i) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period, and (y) the number of Determination Periods normally ending in any year; and

(ii) if the Calculation Period is longer than one Determination Period, the sum of:

(1) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (x) the number of days in such Determination Period, and (y) the number of Determination Periods normally ending in any year; and

(2) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period, and (y) the number of Determination Periods normally ending in any year

where:

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

"**Determination Dates**" means the dates specified in the applicable Final Terms or, if none is so specified, the Interest Payment Date or the Resettable Note Interest Payment Date (as the case may be) and, assuming no Broken Amounts are payable, the Interest Commencement Date.

"**dealing day**" means a day, other than a Saturday or Sunday, on which the London Stock Exchange (or such other stock exchange on which the Benchmark Gilt is at the relevant time listed) is ordinarily open for the trading of securities.

"**Designated Maturity**" means the time period specified as such in the applicable Final Terms.

"**Eurozone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

"**First Margin**" means the margin specified as such in the applicable Final Terms.

"**First Reset Period**" means the period from (and including) the First Resettable Note Reset Date until (but excluding) the Second Resettable Note Reset Date, or if no such Second Resettable Note Reset Date is specified in the applicable Final Terms, the Maturity Date.

"**First Reset Period Fallback**" has the meaning given to it in the applicable Final Terms.

"**First Reset Rate of Interest**" means, subject to Condition 2(j) above (where applicable), the rate of interest being determined by the Calculation Agent on the Reset Determination Date corresponding to the First Reset Date as the sum of the relevant Reset Rate of Interest plus the First Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the First Reset Period (such calculation to be made by the Calculation Agent).

"**First Resettable Note Reset Date**" means the date specified as such in the applicable Final Terms.

"**Fixed Rate Notes**" means Notes in respect of which the "Fixed Rate Note Provisions" in Part A of the Final Terms are specified as being applicable in the applicable Final Terms.

"**Floating Rate Notes**" means Notes in respect of which the "Floating Rate Note Provisions" of Part A of the Final Terms are specified as being applicable in the applicable Final Terms, and which are specified as being Floating Rate Notes in the applicable Final Terms.

"**H.15(519)**" means the weekly statistical release designated as H.15(519), or any successor publication, published by the board of governors of the Federal Reserve System at http://www.federalreserve.gov/releases/H15 or any successor site or publication.

"**Initial Rate of Interest**" means the rate of interest per annum specified as such in the applicable Final Terms.

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

"**Interest Amount**" means:

(A) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes or Resettable Notes, shall mean the amount calculated in accordance with Condition 2(i) or the Fixed Coupon Amount or Broken Amount (if any) specified in the applicable Final Terms as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

(B) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified as such in the applicable Final Terms.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the applicable Final Terms or, if none is so specified, (A) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (B) the day falling two Business Days for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro or (C) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro.

"**Interest Payment Date**" means each date specified as an Interest Payment Date(s) in the applicable Final Terms (each such date a "**Specified Interest Payment Date**") or, if no Specified Interest Payment Date(s) is/are set out in the applicable Final Terms, "**Interest Payment Date**" shall mean each date which falls the number of months or other period set out in these Terms and Conditions or the applicable Final Terms as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date or Resettable Note Interest Payment Date (as the case may be) and each successive period beginning on (and including) an Interest Payment Date or Resettable Note Interest Payment Date (as the case may be) and ending on (but excluding) the next succeeding Interest Payment Date or Resettable Note Interest Payment Date (as the case may be).

"**Interest Period Date**" means each Interest Payment Date or Resettable Note Interest Payment Date unless otherwise specified in the applicable Final Terms.

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

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

"**Margin**" means the percentage rate specified as such in the applicable Final Terms, **provided that** (A) the Margin may be specified either (i) generally, or (ii) in relation to one or more Interest Accrual Periods and (B) the Margin may be zero.

"**Maturity Date**" means the maturity date specified as such in the applicable Final Terms.

"**Maximum Rate of Interest**" means a percentage value specified as such in the applicable Final Terms.

"**Mid-Market Swap Rate**" means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the basis of the Day Count Fraction specified in the applicable Final Terms as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (A) has a term equal to the relevant Reset Period and commencing on the relevant Resettable Note Reset Date, (B) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (C) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (as specified in the applicable Final Terms) (calculated on the basis of the Day Count Fraction specified in the applicable Final Terms as determined by the Calculation Agent).

"**Mid-Market Swap Rate Quotation**" means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate.

"**Mid-Swap Floating Leg Benchmark Rate**" means:

(A) where the Specified Currency is a currency other than euro, LIBOR; and

(B) where the Specified Currency is euro, EURIBOR.

"**Mid-Swap Maturity**" means as specified in the applicable Final Terms.

"**Mid-Swap Rate**" means, in relation to a Reset Determination Date and subject to Condition 2(j) above, either:

(A) if Single Mid-Swap Rate is specified in the applicable Final Terms, the rate for swaps in the Specified Currency:

(i) with a term equal to the relevant Reset Period; and

(ii) commencing on the relevant Resettable Note Reset Date,

which appears on the Relevant Screen Page; or

(B) if Mean Mid-Swap Rate is specified in the applicable Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(i) with a term equal to the relevant Reset Period; and

(ii) commencing on the relevant Resettable Note Reset Date,

which appear on the Relevant Screen Page,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent.

"**Minimum Rate of Interest**" means a percentage value specified as such in the applicable Final Terms which shall never be less than zero and, if not otherwise specified, shall be deemed to be zero.

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

"**Observation Look-back Period**" means the number of days specified as such in the applicable Final Terms.

"**Observation Method**" means the method specified as such in the applicable Final Terms.

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

"**Rate of Interest**" means the rate of interest payable from time to time in respect of any Note and (A) in respect of Fixed Rate Notes, shall be the percentage rate specified in the applicable Final Terms or (B) in respect of Notes other than Fixed Rate Notes, shall be the rate calculated in accordance with the applicable provisions of this Condition 2.

"**Redemption Amount**" means (A) Zero Coupon Note Redemption Amount, (B) Final Redemption Amount, (C) Redemption Amount (Call), (D) Redemption Amount (Put), (E) MREL Disqualification Event Early Redemption Amount, (F) Tax Event Redemption Amount or (G) Event of Default Redemption Amount, as applicable.

"**Reference Banks**" means in relation to Notes other than Resettable Notes and (A) in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and (B) in the case of a determination of EURIBOR, the principal Eurozone office of four major banks in the Eurozone inter-bank market, in each case selected by the Issuer or the Calculation Agent (in consultation with the Issuer) or as specified in the applicable Final Terms.

"**Reference Day**" means each Banking Day in the relevant Interest Accrual Period, other than any Banking Day in the Lock-out Period.

"**Reference Rate**" means the rate specified as such in the applicable Final Terms in respect of the currency and period specified in the applicable Final Terms.

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Final Terms (or such replacement page on that service which displays the information).

"**Relevant Resolution Authority**" means the Single Resolution Board established by Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 and/or any other authority entitled to exercise or participate in the exercise of the bail-in power from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).

"**Relevant Time**" means the time as of which any rate is to be determined as specified in the applicable Final Terms or, if none is specified, at which it is customary to determine such rate, and for

these purposes, the Relevant Time in the case of LIBOR shall be 11:00 a.m. London time and in the case of EURIBOR shall be 11:00 a.m. Brussels time.

"**Reset Determination Date**" means, in respect of a Reset Period, (a) each date specified as such hereon or, if none is so specified, (b) (i) if the Specified Currency is sterling, the first Business Day of such Reset Period, (ii) if the Specified Currency is euro, the day falling two TARGET Business Days prior to the first day of such Reset Period, (iii) if the Specified Currency is US dollars, the day falling two U.S. Government Securities Business Days prior to the first day of such Reset Period (iv) for any other Specified Currency, the day falling two Business Days in the principal financial centre for such Specified Currency prior to the first day of such Reset Period.

"**Reset Period**" means the First Reset Period or a Subsequent Reset Period.

"**Reset Rate of Interest**" means:

(A) if "Mid-Swap Rate" is specified in the applicable Final Terms, the relevant Mid-Swap Rate;

(B) if "Benchmark Gilt Rate" is specified in the applicable Final Terms, the relevant Benchmark Gilt Rate; or

(C) if "CMT Rate" is specified in the applicable Final Terms, the relevant CMT Rate.

"**Reset Reference Bank Rate**" means, if "CMT Rate" is specified hereon, the percentage rate determined on the basis of the Reset United States Treasury Securities Quotations provided by the Reset Reference Banks to the Calculation Agent at or around 4:30 p.m. (New York City time) on the relevant Reset Determination Date and, in either case, rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards). If at least four quotations are provided, the Reset Reference Bank Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two or three quotations are provided, the Reset Reference Bank Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Reset Reference Bank Rate will be the rounded quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be (i) in the case of each Reset Period other than the Reset Period commencing on the First Resettable Note Reset Date, the relevant CMT Rate in respect of the immediately preceding Reset Period or (ii) in the case of the Reset Period commencing on the First Resettable Note Reset Date, an amount specified hereon as the "First Reset Period Fallback".

"**Reset Reference Banks**" means (i) in the case of the calculation of a Reset Reference Bank Rate where "CMT Rate" is specified hereon, five banks which are primary U.S. Treasury securities dealers or market makers in pricing corporate bond issues denominated in U.S. dollars in New York or (ii) in the case of a Benchmark Gilt Rate, five brokers of gilts and/or gilt-edged market makers, in each case, as selected by the Issuer in consultation with the Calculation Agent.

"**Reset United States Treasury Securities Quotations**" means, in relation to a Reset Period and the Reset Determination Date in relation to such Reset Period, the rate determined by the Calculation Agent as being a yield-to-maturity based on the arithmetic mean of the secondary market bid prices of the Reset Reference Banks for Reset United States Treasury Securities at approximately 4:30 p.m. (New York City time) on such Reset Determination Date.

"**Reset United States Treasury Securities**" means, on the relevant Reset Determination Date, United States Treasury Securities with an original maturity equal to the CMT Designated Maturity, a remaining term to maturity of no more than one year shorter than the CMT Designated Maturity and in a principal amount equal to an amount that is representative for a single transaction in such United States Treasury Securities in the New York City market. If two United States Treasury Securities have

remaining terms to maturity equally close to the duration of the CMT Designated Maturity, the United States Treasury Security with the shorter remaining term to maturity will be used.

"**Resettable Note Interest Payment Date**" means each date specified as such in the applicable Final Terms.

"**Resettable Note Reset Date**" means the First Resettable Note Reset Date, the Second Resettable Note Reset Date and every Subsequent Resettable Note Reset Date as may be specified as such in the applicable Final Terms.

"**Resettable Notes**" means Notes in respect of which the "Resettable Notes Provisions" in Part A of the Final Terms are specified as being applicable in the applicable Final Terms.

"**Second Resettable Note Reset Date**" means the date specified as such in the applicable Final Terms.

"**Specified Currency**" means the currency specified as such in the applicable Final Terms.

"**Subsequent Margin**" means the margin(s) specified as such in the applicable Final Terms.

"**Subsequent Reset Period**" means the period from (and including) the Second Resettable Note Reset Date to (but excluding) the next Resettable Note Reset Date, and each successive period from (and including) a Resettable Note Reset Date to (but excluding) the next succeeding Resettable Note Reset Date.

"**Subsequent Reset Rate of Interest**" means, subject to Condition 2(j) above (where applicable), in respect of any Subsequent Reset Period, the rate of interest being determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Rate plus the Subsequent Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the relevant Subsequent Reset Period (such calculation to be made by the Calculation Agent).

"**Subsequent Resettable Note Reset Date**" means the date or dates specified as such in the applicable Final Terms.

"**TARGET 2 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.

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

"**United States Treasury Securities**" means securities that are direct obligations of the United States Treasury, issued other than on a discount rate basis.

"**Zero Coupon Notes**" means Notes which do not bear any interest, and in respect of which the "Zero Coupon Note" provisions in Part A of the Final Terms are specified as being applicable in the applicable Final Terms.

(n) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agents for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Terms and Conditions to the Calculation

Agent shall be construed as each Calculation Agent performing its respective duties under the Terms and Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount or the Redemption Amount or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(o) Benchmark replacement

Notwithstanding the provisions above in Condition 2(c)(B), Condition 2(c)(C) or Condition 2(j), if a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the following provisions of this Condition 2(o) shall apply. Notwithstanding the previous sentence, where "SOFR" is specified as the Original Reference Rate, the provisions contained in limb (c) of the definition of SOFR shall apply prior to the application of this Condition 2(o).

(A) Independent Adviser

The Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to advise the Issuer in determining a Successor Rate or, if unable to determine a Successor Rate, an Alternative Rate (in accordance with Condition 2(o)(B)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 2(o)(D)) for the purposes of determining the Rate of Interest applicable to the Notes for future Interest Accrual Periods (subject to the subsequent operation of this Condition 2(o) during any other future Interest Accrual Periods).

In making such determination, the Independent Adviser appointed pursuant to this Condition 2(o) shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Paying Agents or the Noteholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 2(o).

(B) Successor Rate or Alternative Rate

If the Issuer, following consultation with the Independent Adviser, determines that:

(i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 2(o)); or

(ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 2(o)).

(C) Adjustment Spread

The Issuer, following consultation with the Independent Adviser, will determine the Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) which shall be

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

(D) Benchmark Amendments

If (i) following the occurrence of a SOFR Index Cessation Event, SOFR is determined in accordance with limb (c) of the definition of SOFR or (ii) any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 2(o), and the Issuer, following consultation with the Independent Adviser, determines (i) that amendments to these Conditions are necessary to follow market practice or to ensure the proper operation of SOFR or such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**"), and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 2(o)(E), without any requirement for the consent or approval of Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 2(o)(D), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 2(o), no Successor Rate or Alternative Rate will be adopted in respect of any Senior Non-Preferred Notes, nor will the applicable Adjustment Spread be applied, nor will any changes be made to the manner in which SOFR is to be determined, nor will any other amendment to the terms and conditions of any Senior Non-Preferred Notes be made to effect the Benchmark Amendments, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the relevant Senior Non-Preferred Notes as MREL-Eligible Instruments.

In the case of Senior Non-Preferred Notes only, no Successor Rate or Alternative Rate (as applicable) will be adopted, nor will the applicable Adjustment Spread be applied, nor will any changes be made to the manner in which SOFR is to be determined, nor will any other amendments to the terms and conditions of the Notes be made pursuant to this Condition 2(o), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in the relevant authority treating the next Interest Payment Date or Reset Date, as the case may be, as the effective maturity of the Notes, rather than the relevant Maturity Date.

(E) Notices, etc.

Any changes to the manner in which SOFR is to be determined, Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under these Conditions will be notified promptly by the Issuer to the Calculation Agent, the Paying Agents and, in accordance with Condition 8, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any. The changes to the manner in which SOFR is to be determined, Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such notice will (in the absence of manifest error or bad faith in the determination of the manner in which SOFR is to be determined, Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any)) be binding on the Issuer, the Calculation Agent, the Paying Agents and the Noteholders.

(F) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 2(o), the Original Reference Rate and the fallback provisions provided for in Condition 2(j), Condition 2(c)(B), or Condition 2(c)(C), as applicable, will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and the Adjustment Spread and Benchmark Amendments (if any) determined in accordance with Condition 2(o), or of the changes to the manner in which SOFR is to be determined, in each case in accordance with Condition 2(o)(E).

(G) Definitions

As used in this Condition 2(o):

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

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) in the case of a Successor Rate for which no such recommendation has been made, or in the case of an Alternative Rate, the Issuer, following consultation with the Independent Adviser, determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or

(iii) if the Issuer determines that no such spread, formula or methodology is customarily applied, the Issuer, following consultation with the Independent Adviser, determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

"**Alternative Rate**" means an alternative benchmark or screen rate which the Issuer, following consultation with the Independent Adviser, determines in accordance with Condition 2(o)(B) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes and of a comparable duration to the relevant Interest Period or Reset Period (as applicable), or, if the Issuer determines that there is no such rate, such other rate as the Issuer determines in its discretion is most comparable to the Original Reference Rate.

"**Benchmark Amendments**" has the meaning given to it in Condition 2(o)(D).

"**Benchmark Event**" means:

(i) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or

(ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

(iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or

(iv) a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used either generally or in respect of the Notes or that its use will be subject to restrictions or adverse consequences; or

(v) an official announcement by the supervisor of the administrator of the Original Reference Rate, with effect from a date after 31 December 2021, that the Original Reference Rate is no longer representative of its relevant underlying market; or

(vi) it has become unlawful for any Paying Agent, Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that in the case of sub-paragraphs (ii), (iii) and (iv) above, the Benchmark Event shall occur on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate, as the case may be, and not the date of the relevant public statement.

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 2(o)(A).

"**Original Reference Rate**" means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes (provided that if such originally-specified benchmark or screen rate (as applicable) (or any Successor Rate or Alternative Rate which has replaced it pursuant to this Condition 2(o)) has been replaced by a (or a further) Successor Rate or Alternative Rate pursuant to this Condition 2(o), the term "Original Reference Rate" shall include any such Successor Rate or Alternative Rate).

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

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) any working group or committee established, approved or sponsored by, chaired or co-chaired by or constituted at the request of (1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (2) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (3) a group of the aforementioned central banks or other supervisory authorities or (4) the Financial Stability Board or any part thereof.

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

3 Redemption, Purchase and Options

(a) Final Redemption

(A) Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date (if any) specified in the applicable Final Terms at its Final Redemption Amount. In the case of Senior Non-Preferred Notes, the Maturity Date may not be less than one year from the date of issue of such Senior Non-Preferred Notes.

(B) In these Terms and Conditions:

"**Final Redemption Amount**" means, (i) if "Specified Redemption Amount" is specified as being applicable in the applicable Final Terms, an amount per Calculation Amount equal to the product of the Specified Fixed Percentage Rate and the Calculation Amount, **provided that** the Specified Fixed Percentage Rate will not, in any case, be less than 100 per cent., or (ii) if "Par Redemption" is specified in the applicable Final Terms, an amount per Calculation Amount equal to 100 per cent. per Calculation Amount.

"**Specified Fixed Percentage Rate**" means the percentage specified as such in the applicable Final Terms, which shall be determined by the Issuer at the time of issue on the basis of market conditions, **provided that** if no such rate is specified, the Specified Fixed Percentage Rate shall be 100 per cent.

(b) Early Redemption of Zero Coupon Notes and certain other Notes

(A) The Zero Coupon Note Redemption Amount payable in respect of (i) any Zero Coupon Note prior to the Maturity Date, or (ii) any Note in respect of which the applicable Final Terms specify "Amortised Face Amount" as the applicable option for determination of the Redemption Amount, in each case upon redemption of such Note pursuant to Condition 3(e) or upon it becoming due and payable as provided in Condition 11 shall be the Amortised Face Amount (calculated as provided below) of such Note.

In these Terms and Conditions, "**Zero Coupon Note Redemption Amount**" means (i) if "Specified Redemption Amount" is specified in the applicable Final Terms, an amount per Calculation Amount being the product of the Specified Fixed Percentage Rate and the Calculation Amount **provided that** the Specified Fixed Percentage Rate will not, in any case, be less than 100 per cent., (ii) if "Par Redemption" is specified in the applicable Final Terms, an amount per Calculation Amount equal to 100 per cent. per Calculation Amount, or (iii) if "Amortised Face Amount" is specified in the applicable Final Terms, an amount calculated in accordance with this Condition 3(b).

(B) Subject to sub-paragraph (C) below, the "**Amortised Face Amount**" of any such Note shall be the scheduled Zero Coupon Note Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield compounded annually.

(C) If the Redemption Amount payable in respect of any such Zero Coupon Note upon its redemption pursuant to Condition 3(e) or upon it becoming due and payable as provided in Condition 11 is not paid when due, the 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 reference therein to the Maturity Date were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgement) 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 Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 3(e).

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 set out in the applicable Final Terms.

(c) Redemption at the Option of the Issuer

If so provided in the applicable Final Terms, subject in respect of Senior Non-Preferred Notes to the conditions set out in Condition 3(h), the Issuer may on giving such period of irrevocable notice to the Noteholders as may be specified in the applicable Final Terms (which shall be not less than seven days) redeem all or, if so provided, some of the Notes in the principal amount of the Specified Denomination(s) or integral multiples thereof on the Optional Redemption Date.

Any such redemption of Notes shall be at their Redemption Amount (Call) together with interest accrued to (but excluding) the date fixed for redemption (as set out in the notice of the Noteholders). Any such redemption must relate to the Notes of a nominal amount at least equal to the Minimum Nominal Redemption Amount (if any) to be redeemed specified in the applicable Final Terms and no greater than the Maximum Nominal Redemption Amount (if any) to be redeemed specified in the applicable Final Terms.

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 3(c).

In the case of a partial redemption of the Notes, the relevant Notes will be selected in accordance with the rules of the Securities Settlement System.

For these purposes, "**Redemption Amount (Call)**" means (A) if "Specified Redemption Amount" is specified in the applicable Final Terms, an amount per Calculation Amount being the product of the Specified Fixed Percentage Rate and the Calculation Amount **provided that** the Specified Fixed Percentage Rate will not, in any case, be less than 100 per cent. or (B) if "Par Redemption" is specified in the applicable Final Terms, an amount per Calculation Amount equal to 100 per cent. per Calculation Amount.

(d) Redemption at the Option of Noteholders

In relation to all Notes other than Senior Non-Preferred Notes, if "Put Option" is specified as being applicable in the applicable Final Terms, the Issuer shall, subject to compliance by the Issuer with all relevant laws, regulations and directives, at the option of the holder of any such Note, upon the holder of such Note giving such period of irrevocable notice as may be specified in the applicable Final Terms (which shall be not less than seven days) to the Issuer at such address as may be specified in the applicable Final Terms, redeem such Note on the date or dates so provided at its Redemption Amount (Put) together with interest accrued to (but excluding) the date fixed for redemption. Any such redemption or exercise must relate to the Notes of a nominal amount at least equal to the Minimum Nominal Redemption Amount (if any) to be redeemed specified in the applicable Final Terms and no greater than the Maximum Nominal Redemption Amount (if any) to be redeemed specified in the applicable Final Terms.

For these purposes, "**Redemption Amount (Put)**" means (A) if "Specified Redemption Amount" is specified in the applicable Final Terms, an amount per Calculation Amount being the product of the Specified Fixed Percentage Rate and the Calculation Amount **provided that** the Specified Fixed Percentage Rate will not, in any case, be less than 100 per cent. or (B) if "Par Redemption" is specified

in the applicable Final Terms, an amount per Calculation Amount equal to 100 per cent. per Calculation Amount.

(e) Redemption upon the occurrence of a Tax Event

Subject in respect of Senior Non-Preferred Notes to the conditions set out in Condition 3(h), the Issuer may, at its option (subject to giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 8 (with a copy to the Fiscal Agent), which notice shall be irrevocable) redeem all (but not some only) of the Notes outstanding on any Interest Payment Date or Resettable Note Interest Payment Date (as the case may be), or, if so specified in the applicable Final Terms, at any time, at the Tax Event Redemption Amount, together with interest accrued and unpaid, if any, to (but excluding) the date fixed for redemption (as set out in the notice to the Noteholders), if, at any time, a Tax Event has occurred and is continuing, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which (x) the Issuer would be obliged to pay any additional amounts in the case of a Tax Gross-up Event, or (y) a payment in respect of the Notes would cease to be deductible or the tax-deductibility of such payment would reduce in the case of a Tax Deductibility Event, in each case, were a payment in respect of the Notes then due. The Issuer shall obtain an opinion of an independent legal adviser of recognised standing to the effect that a Tax Event exists.

In these Terms and Conditions:

A "**Tax Event**" shall be deemed to have occurred if as a result of a Tax Law Change:

(A) in making payments under the Notes (in the case of Senior Non-Preferred Notes, in making interest payments only), the Issuer has or will on or before the next Interest Payment Date or Resettable Note Interest Payment Date (as the case may be) or the Maturity Date (as applicable) become obliged to pay additional amounts as provided or referred to in Condition 5 (and such obligation cannot be avoided by the Issuer taking reasonable measures available to it) (a "**Tax Gross-up Event**"); or

(B) on or before the next Interest Payment Date or Resettable Note Interest Payment Date (as the case may be) any payment of interest by the Issuer in respect of the Notes ceases (or will cease) to be tax-deductible by the Issuer for Belgian tax purposes or such tax-deductibility is reduced (a "**Tax Deductibility Event**").

"**Tax Event Redemption Amount**" means (A) if "Specified Redemption Amount" is specified in the applicable Final Terms, an amount per Calculation Amount being the product of the Specified Fixed Percentage Rate and the Calculation Amount **provided that** the Specified Fixed Percentage Rate will not, in any case, be less than 100 per cent., (B) if "Par Redemption" is specified in the applicable Final Terms, an amount per Calculation Amount equal to 100 per cent. per Calculation Amount, or (C) if "Amortised Face Amount" is specified in the applicable Final Terms, an amount calculated in accordance with Condition 3(b) above.

"**Tax Law Change**" means any change in, or amendment to, the laws or regulations of Belgium, including any treaty to which Belgium is a party, or any change in the application or official interpretation thereof, which change or amendment (A) (subject to (B)) becomes effective on or after the Issue Date or (B) in the case of a change in law, if such change is enacted on or after the Issue Date.

(f) Redemption of Senior Non-Preferred Notes upon the occurrence of a MREL Disqualification Event

If the Notes are Senior Non-Preferred Notes, and "MREL Disqualification Event" is specified as applicable in the relevant Final Terms, then upon the occurrence of a MREL Disqualification Event, the Issuer may, at its option, at any time and having given not more than 60 nor less than 30 calendar days' notice to the holders of the relevant Senior Non-Preferred Notes, in accordance with Condition 8 (which notice shall be irrevocable), redeem all (but not some only) of such outstanding Senior Non-Preferred Notes at the MREL Disqualification Event Early Redemption Amount, together with accrued interest (if any) thereon subject to such redemption being permitted by the Applicable MREL Regulations, and subject to Condition 3(h).

"**Applicable MREL Regulations**" means, at any time, the laws, regulations, requirements, guidelines and policies giving effect to MREL.

"**Lead Regulator**" means the NBB, ECB or any successor entity primarily responsible for the prudential supervision of the Issuer.

"**MREL**" means the "minimum requirement for own funds and eligible liabilities" for banking institutions under the Directive 2014/59/EU of the European Parliament and of the Council, establishing an EU-wide framework for the recovery and resolution of credit institutions and investment firms, as set in accordance with Article 45 of such Directive (as transposed in article 459 of the Belgian Banking Law) and Commission Delegated Regulation (C(2016) 2976 final) of 23 May 2016, as amended or replaced from time to time (including by national legislation transposing or implementing Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019).

"**MREL Disqualification Event**" means at any time that all or part of the outstanding nominal amount of the Senior Non-Preferred Notes of a Series does not or will not qualify as MREL-Eligible Instruments under the Applicable MREL Regulations either by reason of (A) a change in the Applicable MREL Regulations or (B) such Applicable MREL Regulations becoming effective (or in either case the application or official interpretation of such regulations), except where such non-qualification was reasonably foreseeable at the Issue Date or is due to the remaining maturity of such Notes being less than any period prescribed by the Applicable MREL Regulations or is due to any restriction on the amount of liabilities that can count as MREL-Eligible Instruments.

"**MREL-Eligible Instrument**" means an instrument that is eligible to be counted towards the MREL of the Issuer in accordance with Applicable MREL Regulations.

"**MREL Disqualification Event Early Redemption Amount**" means (A) if "Specified Redemption Amount" is specified in the applicable Final Terms, an amount per Calculation Amount being the product of the Specified Fixed Percentage Rate and the Calculation Amount **provided that** the Specified Fixed Percentage Rate will not, in any case, be less than 100 per cent. or (B) if "Par Redemption" is specified in the applicable Final Terms, an amount per Calculation Amount equal to 100 per cent. per Calculation Amount.

(g) Repurchases

The Issuer and any of its subsidiaries may repurchase Notes in the open market or otherwise at any price. This Condition 3(g) shall apply in the case of Senior Non-Preferred Notes to the extent repurchases of Senior Non-Preferred Notes are not prohibited by the Applicable MREL Regulations and subject to the conditions set out in Condition 3(h).

(h) Conditions to redemption

Any optional redemption or repurchase of the Senior Non-Preferred Notes pursuant to this Condition 3 is subject to the following conditions (in each case, if and to the extent then required by the Applicable MREL Regulations):

(A) compliance with any conditions prescribed under the Applicable MREL Regulations, including the prior approval of the Lead Regulator or the Relevant Resolution Authority (if required); and

(B) compliance by the Issuer with any alternative or additional pre-conditions to the redemption of Senior Non-Preferred Notes to the extent set out in the Applicable MREL Regulations and required by the Lead Regulator or the Relevant Resolution Authority.

(i) Cancellation

Subject in respect of Senior Non-Preferred Notes to the conditions set out in Condition 3(h) above, all Notes repurchased by or on behalf of the Issuer or any of its subsidiaries may be, and all Notes redeemed by the Issuer will be, cancelled. Any Notes so cancelled may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

4 Payments

(a) Principal and interest

Payment of principal and interest in respect of Notes will be made in accordance with the applicable rules and procedures of the Securities Settlement System, Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, SIX SIS, INTERBOLSA, Monte Titoli and any other Securities Settlement System participant holding an interest in the relevant Notes, and any payment made by the Issuer to the Securities Settlement System or, in the case of payments in any currency other than euro, to Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, SIX SIS, INTERBOLSA and Monte Titoli will constitute good discharge for the Issuer. Upon receipt of any payment in respect of Notes, the Securities Settlement System, Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, SIX SIS, INTERBOLSA, Monte Titoli and any other Securities Settlement System participant, shall immediately credit the accounts of the relevant account holders with the payment.

(b) Payments Subject to Fiscal Laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in any jurisdiction (whether by operation of law or agreement of the Issuer or its agents) 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, but without prejudice to the provisions of Condition 5. No commission or expenses shall be charged to the Noteholders in respect of such payments.

(c) Appointment of Agents

The Fiscal Agent, the Paying Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents and the Calculation Agent (together the "**Agents**") act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent or the Calculation Agent and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain (A) a Fiscal Agent, (B) one or more Calculation Agent(s) where the Terms and

Conditions so require, (C) a Paying Agent having its specified offices in a major European city, and (D) such other agents as may be required by the rules of any stock exchange on which the Notes may be listed.

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

(d) Non-Business Days

If any date for payment in respect of any Note is not a business day, the holder shall not be entitled to payment until the next following business day, or as may be otherwise specified in the applicable Final Terms, nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) on which: (x) banks and foreign exchange markets are open for business in the relevant place of payment in such jurisdictions as shall be specified as "Business Day Jurisdictions" in the applicable Final Terms; (y) the Securities Settlement System is open; and (z) either:

(A) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(B) (in the case of a payment in euro) which is a TARGET Business Day.

5 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for any present or future taxes, duties, assessments or other charges of whatever nature imposed, levied, collected, withheld or assessed by or within Belgium or any political subdivision or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or other charges is required by law or regulation.

In that event, or if a clearing system or any participant in a clearing system withholds or deducts for, or on account of, any present or future taxes, duties, assessments or other charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Belgium, the Issuer shall pay such additional amounts as may be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall be not less than the respective amounts of principal and interest, or interest only in case of Senior Non-Preferred Notes and Senior Preferred Notes where "Senior Preferred Notes Restricted Gross Up" is specified as being applicable in the relevant Final Terms, which would have been receivable in respect of the Notes in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any payment in respect of any Note:

(a) Other connection: *to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of its having some connection with Belgium or any political subdivision thereof or any authority therein or thereof other than the mere holding of the Note, or the receipt of principal, interest or other amount in respect of the Note; or*

(b) Non-Eligible Investors: *to a holder who, at the time of issue of the Notes, was not an Eligible Investor within the meaning of Article 4 of the Royal Decree of 26 May 1994 on the deduction of withholding tax or to a holder who was an Eligible Investor at the time of issue of the Notes but, for reasons within the holder's control, ceased to be an Eligible Investor or, at any relevant time on or after the issue of the Notes, otherwise failed to meet any other condition for the exemption*

of Belgian withholding tax pursuant to the law of 6 August 1993 relating to transactions with certain securities; or

(c) Conversion into registered Notes: *to a holder who is liable to such withholding or deduction because the Notes were converted into registered Notes upon his/her request and could no longer be cleared through the Securities Settlement System.*

Notwithstanding any other provision of these Terms and Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Sections 1471(b) of the U.S. Internal Revenue Code of 1986, as amended ("**Code**"), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other person will be required to pay additional amounts in respect of FATCA Withholding.

References in these Terms and Conditions to (A) "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 3 or any amendment or supplement to it, (B) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 2 or any amendment or supplement to it, and (C) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition 5.

6 Status and subordination

The Notes may be either senior preferred Notes ("**Senior Preferred Notes**") or senior non-preferred Notes ("**Senior Non-Preferred Notes**"), in each case as specified in the relevant Final Terms.

(a) Status of Senior Preferred Notes

The Senior Preferred Notes (being those Notes in respect of which the status is specified in the applicable Final Terms as "Senior Preferred Notes") are direct, unconditional, senior and unsecured (*chirographaires/chirografaire*) obligations of the Issuer and rank at all times:

(A) *pari* passu, without any preference among themselves, and with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, which will fall or are expressed to fall within the category of obligations described in article 389/1, 1° of the Belgian Banking Law, but, in the event of insolvency, only to the extent permitted by laws relating to creditors' rights;

(B) senior to Senior Non-Preferred Obligations of the Issuer and any obligations ranking pari passu with or junior to the Senior Non-Preferred Obligations; and

(C) junior to all present and future claims as may be preferred by laws of general application.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*procédure de liquidation*) of the Issuer or if the Issuer is liquidated for any other reason, the Noteholders will have a right to payment under the Senior Preferred Notes (including for any damages awarded for breach of any obligations under these Conditions):

(A) only after, and subject to, payment in full of holders of present and future claims as may be preferred by laws of general application or otherwise ranking in priority to Senior Preferred Notes; and

(B) subject to such payment in full, in priority to holders of Senior Non-Preferred Obligations and other present and future claims otherwise ranking junior to Senior Preferred Notes.

"**Senior Non-Preferred Obligations**" means any obligations or other instruments issued by the Issuer which fall or are expressed to fall within the category of obligations described in article 389/1, 2° of the Belgian Banking Law.

(b) Status of Senior Non-Preferred Notes

(A) *Status*

The Senior Non-Preferred Notes (being those Notes which the applicable Final Terms specify as to be "Senior Non-Preferred Notes") are issued pursuant to the provisions of article 389/1, 2° of the Belgian Banking Law and are direct, unconditional, senior and unsecured (*chirographaires/chirografaire*) obligations of the Issuer and rank at all times:

(i) *pari passu* without any preference among themselves and with all other Senior Non-Preferred Obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by laws relating to creditors' rights;

(ii) senior to any subordinated obligations of the Issuer; and

(iii) junior to present or future claims of (1) depositors of the Issuer, (2) other unsubordinated creditors of the Issuer that are not creditors in respect of Senior Non-Preferred Obligations of the Issuer, and (3) all other present and future claims as may be preferred by laws of general application.

Subject to applicable law, if any judgment is rendered by any competent court declaring the judicial liquidation (*procédure de liquidation*) of the Issuer, the Noteholders will have a right to payment under the Senior Non-Preferred Notes (including for any damages awarded for breach of any obligations under these Conditions):

(i) only after, and subject to, payment in full of holders of Senior Preferred Notes and other present and future claims benefiting from statutory preferences or otherwise ranking in priority to Senior Non-Preferred Obligations; and

(ii) subject to such payment in full, in priority to holders of any subordinated obligations of the Issuer and other present and future claims otherwise ranking junior to Senior Non-Preferred Obligations.

(B) *Waiver of set-off*

Subject to applicable law, no Noteholder may exercise or claim any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Senior Non-Preferred Notes or, in the case of Senior Preferred Notes, where "Waiver of Set-Off" is specified as being applicable in the relevant Final Terms and each Noteholder shall, by virtue of its subscription, purchase or holding of a Senior Non-Preferred Note or a relevant Senior Preferred Note, be deemed to have waived all such rights of set-off, compensation or retention. Notwithstanding the preceding sentence, if any amounts owing to any holder of a Senior Non-Preferred Note or a relevant Senior Preferred Note by the Issuer is discharged by set-off, such holder shall, unless such payment in prohibited by law, immediately pay an amount equal to the amount of such discharge to the Issuer or, in the event of its winding-up or administration, the liquidator or administrator, as appropriate of the Issuer for the payment to creditors of the Issuer in respect of amounts owing to them by the Issuer and accordingly any such discharge shall be deemed not to have taken place.

(c) Senior Non-Preferred Notes: Substitution and Variation

In the case of Senior Non-Preferred Notes in relation to which this Condition 6(c) is specified in the applicable Final Terms as applying, then, following a MREL Disqualification Event, the Issuer may, at its sole discretion and without the consent of the Noteholders, by giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 8 substitute or vary the terms of all, but not some only, of such Senior Non-Preferred Notes then outstanding so that they become or, as appropriate, remain, Qualifying Securities.

Any substitution or variation of the Senior Non-Preferred Notes pursuant to Condition 6(c) is subject to compliance with any conditions prescribed under the Applicable MREL Regulations, including the prior approval of the Lead Regulator and/or the Relevant Resolution Authority (if required).

In these Terms and Conditions:

"**Fitch**" means Fitch Ratings Limited or any affiliate thereof.

"**Qualifying Securities**" means, at any time, any securities issued by the Issuer that:

(A) rank equally with the ranking of the Senior Non-Preferred Notes;

(B) (other than in respect of the effectiveness and enforceability of Condition 15(d)) have terms not materially less favourable to Noteholders than the terms of the Senior Non-Preferred Notes (as reasonably determined by the Issuer in consultation with an independent investment bank of international standing, and provided that a certification of two members of the management board of the Issuer shall have been delivered to the Fiscal Agent prior to the substitution or variation of the relevant securities), provided that such securities shall:

(i) contain terms such that they comply with the Applicable MREL Regulations;

(ii) do not contain terms which would cause a MREL Disqualification Event or a Tax Event to occur as a result of such substitution or variation;

(iii) include terms which provide for the same Rate of Interest from time to time, Interest Payment Dates or Resettable Note Interest Payment Dates (as the case may be), Maturity Date and, if applicable, optional redemption dates, as apply to the Senior Non-Preferred Notes;

(iv) shall preserve any existing right under the Conditions to any accrued interest, principal and/or premium which has not been satisfied; and

(v) not contain terms providing for the mandatory or voluntary deferral of payments of principal and/ or interest;

(C) are listed on (i) the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") or (ii) such other regulated market in the European Economic Area as selected by the Issuer (to the extent the Senior Non-Preferred Notes were listed on the regulated market of Euronext Dublin or such other regulated market in the European Economic Area prior to their substitution or variation); and

(D) where the Senior Non-Preferred Notes which have been substituted or varied had a solicited credit rating immediately prior to their substitution or variation, be assigned a solicited credit rating equal to or higher than (i) the solicited credit rating of the Senior Non-Preferred Notes immediately prior to their substitution or variation or (ii) where the solicited credit rating of the Senior Non-Preferred Notes was, as a result of Condition 15(d) becoming ineffective and/or

unenforceable, amended prior to such substitution or variation, the solicited credit rating of the Senior Non-Preferred Notes immediately prior to such amendment.

"**Rating Agency**" means each of Fitch and S&P or their respective successors.

"**S&P**" means Standard & Poor's Credit Market Services Europe Limited or any affiliate thereof.

7 Substitution of the Issuer

Subject to this Condition 7 being specified as applicable in the Final Terms, then, the Issuer or any previous substituted company, may at any time, without the consent of the Noteholders, substitute for itself as principal debtor under the Notes, any company (the "**Substitute**") provided that:

(a) in the case of Senior Non-Preferred Notes, the Lead Regulator and/or the Relevant Resolution Authority (as required) approves the substitution;

(b) the substitution is made by a deed poll or by execution of such other documentation as the Issuer determines is appropriate to give effect to such substitution;

(c) no payment of principal of, or interest on, the Notes is at the time of such substitution overdue;

(d) the Substitute assumes all obligations and liabilities of the substituted Issuer in its capacity as debtor arising from, or in connection with, the Notes and the substitution is subject to Euroclear Bank irrevocably and unconditionally guaranteeing on a senior preferred basis (in the case of Senior Preferred Notes) or on a senior non-preferred basis (in case of Senior Non-Preferred Notes) the obligations of the Substitute;

(e) the Substitute becomes a party to the Agency Agreement, with any appropriate consequential amendments, and assumes all the obligations and liabilities of the Issuer in its capacity as debtor under the Notes contained therein and shall be bound as fully as if the Substitute had been named therein as an original party;

(f) the Substitute shall, by means of the deed poll or by execution of such other documentation as the Issuer determines is appropriate, agree to indemnify the holder of each Note against any tax, duty, fee or governmental charge that is imposed on such holder by the jurisdiction of the country of its residence for tax purposes and, if different, of its incorporation or any political subdivision or taxing authority thereof or therein with respect to any Note and that would not have been so imposed had it not been substituted as the principal debtor and any tax, duty, fee or governmental charge imposed on or relating to such substitution and any costs or expenses of such substitution;

(g) the Substitute obtains all necessary governmental and regulatory approvals and consents, takes all actions and fulfils all conditions necessary for such substitution and to ensure that the deed poll or other document executed to give effect to the substitution and the Notes represent valid, legally binding and enforceable obligations of the Substitute;

(h) the Substitute shall cause legal opinions to be delivered to the Noteholders (care of the Fiscal Agent) from lawyers with a leading securities practice in Belgium, England and the jurisdiction of the Substitute confirming the validity of the substitution and the continuance or giving of the guarantee referred to in Condition 7(d) above;

(i) each stock exchange which the Notes are listed on or the relevant competent authority relating thereto shall have confirmed that following the proposed substitution of the Issuer, such Notes would continue to be listed on such stock exchange;

(j) following the substitution, the Notes will continue to be represented by book-entry in the records of the Securities Settlement System;

(k) where the Notes had a published rating from a Rating Agency immediately prior to the substitution of the Issuer, the Notes shall continue to be rated by such Rating Agency immediately following such substitution and the published ratings assigned to the Notes by such Rating Agency immediately following such substitution will be no less than those assigned to the Notes immediately prior thereto; and

(l) the Issuer shall have given at least 14 days' prior notice of a proposed substitution to the Noteholders, such notice to be published in accordance with these Terms and Conditions, stating that copies, or pending execution, the agreed text, of all documents in relation to the substitution that are referred to above, or that might otherwise reasonably be regarded as material to the Noteholders, shall be available for inspection at the specified office of the Fiscal Agent and each of the other Paying Agents.

References in Condition 11 to obligations under the Notes shall be deemed to include obligations of the Substitute under the deed poll or other documentation executed in order to give effect to the substitution.

8 Notices

All notices to holders of Notes shall be validly given if (a) delivered by or on behalf of the Issuer to the NBB for communication by it to the participants of the Securities Settlement System, (b) in the case of Notes held in a securities account, through a direct notification through the applicable clearing system, (c) if and for so long as the Notes are listed on Euronext Dublin (and the rules of that exchange so require), when filed with the Companies Announcements Office of Euronext Dublin, and (d) in the case of Notes held in a securities account with Euroclear Bank, through a direct notification in the account statements.

If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe.

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

Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above or, in the case of direct notification, any such notice shall be deemed to have been given on the date immediately following the date of notification.

9 Prescription

Claims for principal and interest shall become void ten or five years, respectively, after the Relevant Date thereof, unless application to a court of law for such payment has been initiated on or before such respective time.

10 Meeting of Noteholders and Modification to Agency Agreement

(a) Meetings of Noteholders

(A) Subject to sub-paragraph (B) below, Schedule 1 (*Provisions on meetings of Noteholders*) of these Conditions contains provisions for convening meetings of Noteholders (the "**Meeting Provisions**") to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined below) of a modification of any of these Terms and Conditions.

Meetings of Noteholders may be convened to consider matters relating to Notes, including the modification or waiver of any provision of the Terms and Conditions applicable to any relevant Series of Notes. Any such modification or waiver may be made if sanctioned by an

Extraordinary Resolution. For the avoidance of doubt, any such modification or waiver shall always be subject to the consent of Euroclear Bank. An "**Extraordinary Resolution**" means a resolution passed at a meeting of Noteholders duly convened and held in accordance with these Terms and Conditions and the Meeting Provisions by a majority of at least 75 per cent. of the votes cast.

All meetings of Noteholders will be held in accordance with the Meeting Provisions. Such a meeting may be convened by the Issuer and shall be convened by the Issuer upon the request in writing of Noteholders holding not less than one fifth of the aggregate principal amount of the outstanding Notes. A meeting of Noteholders will be entitled (subject to the consent of the Issuer) to modify or waive any provision of the Terms and Conditions applicable to any Series of Notes (including any proposal (A) to modify the maturity of a Series of Notes or the dates on which interest is payable in respect of a Series of Notes, (B) to reduce or cancel the principal amount of, or interest on, a Series of Notes, (C) to change the currency of payment of a Series of Notes, or (D) to modify the provisions concerning the quorum required at any meeting of Noteholders) in accordance with the quorum and majority requirements set out in the Meeting Provisions. Resolutions duly passed in accordance with the Meeting Provisions shall be binding on all Noteholders, whether or not they are present at the meeting and whether or not they vote in favour of such a resolution.

Convening notices for meetings of Noteholders shall be made in accordance with the Meeting Provisions. Convening notices shall also be made in accordance with Condition 8.

(B) For so long as the relevant provisions relating to meetings of bondholders of the Belgian Companies Code of 7 May 1999 (the "**Existing Code**") cannot be derogated from, where any of the Meeting Provisions would conflict with the relevant mandatory provisions of the Existing Code, the provisions of the Existing Code will apply.

(b) Modification of Agency Agreement

Without prejudice to Condition 2(o), the Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

(c) Written Resolutions

A written resolution signed by the holders of 75 per cent. in nominal amount of the Notes outstanding shall take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

11 Events of Default

(a) Senior Non-Preferred Notes and Senior Preferred Notes if "Senior Preferred Notes Restricted Events of Default" is specified as applicable in the relevant Final Terms – Events of Default:

If default is made in the payment of any principal or interest due in respect of the Senior Non-Preferred Notes or Senior Preferred Notes if "Senior Preferred Notes Restricted Events of Default" is specified as applicable in the relevant Final Terms and such default continues for a period of 30 days or more after the due date, any holder of the relevant Notes may institute proceedings for the dissolution or liquidation of the Issuer in Belgium.

In the event of a dissolution or liquidation of the Issuer (including, without limitation, the following events creating a *"samenloop van schuldeisers/concours de créanciers"*: bankruptcy (*"faillissement/faillite"*), judicial liquidation (*"gerechtelijke vereffening/liquidation forcée"*), voluntary liquidation (*"vrijwillige vereffening/liquidation volontaire"*) (other than a voluntary liquidation in connection with a reconstruction, merger or amalgamation where the continuing corporation assumes all the liabilities of the Issuer), dissolution ("*ontbinding/liquidation*"), moratorium of payments (*"moratorium/moratoire"*) and other measures agreed between the Issuer and its creditors relating to the Issuer's payment difficulties, or an official decree of such measures), each holder of the Senior Non-Preferred Notes or Senior Preferred Notes if "Senior Preferred Notes Restricted Events of Default" is specified as applicable in the relevant Final Terms may give written notice to the Fiscal Agent at its specified office that its Note(s) is (are) immediately repayable, whereupon the Event of Default Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable.

No remedy against the Issuer other than as referred to in this Condition 11(a) shall be available to the holders of the relevant Notes, whether for recovery of amounts owing in respect of the relevant Notes or in respect of any breach by the Issuer of any of its obligations under or in respect of the relevant Notes.

For the avoidance of doubt, the holders of the relevant Notes waive, to the fullest extent permitted by law (A) all their rights whatsoever pursuant to Article 1184 of the Belgian Civil Code to rescind (*"ontbinden/résoudre"*), or to demand legal proceedings for the rescission (*"ontbinding/resolution"*) of, the relevant Notes, and (B) to the extent applicable, all their rights whatsoever in respect of the relevant Notes pursuant to Article 487 of the Belgian Companies Code (or, as soon as applicable, Article 7:64 of the New Company Code).

(b) Senior Preferred Notes if "Senior Preferred Notes Restricted Events of Default" is not specified as applicable in the relevant Final Terms – Events of Default:

If any of the events set out below in the case of Senior Preferred Notes where "Senior Preferred Notes Restricted Events of Default" is not specified as applicable in the relevant Final Terms ("**Events of Default**") occurs and is continuing, the holder of any Note may give written notice specifying the Event of Default to the Issuer or the Fiscal Agent at its specified office and declaring that such Note is immediately repayable, whereupon the Event of Default Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable (unless such Event of Default shall have been remedied prior to the receipt of such notice by the Fiscal Agent):

(A) *Non-payment*: the Issuer fails to pay any amount of principal in respect of the relevant Notes on the due date for payment thereof or fails to pay any amount of interest in respect of the relevant Notes within three days of the due date for payment thereof; or

(B) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the relevant Notes and such default remains unremedied for 10 days after written notice thereof, addressed to the Issuer by any Noteholder, has been delivered to the Issuer or to the specified office of the Fiscal Agent; or

(C) *Cross-default of Issuer or Principal Subsidiary*:

(i) any indebtedness of the Issuer or any of its Principal Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;

(ii) any such indebtedness becomes (or becomes capable of being declared) due and payable prior to its stated maturity as a result of a default (howsoever described thereunder); or

(iii) the Issuer or any of its Principal Subsidiaries fails to pay when due any amount payable by it under any guarantee of any indebtedness;

provided that the amount of indebtedness referred to in sub-paragraph (C)(i) and/or subparagraph (C)(ii) above and/or the amount payable under any guarantee referred to in subparagraph (C)(iii) above, individually or in the aggregate, exceeds €50,000,000 (or its equivalent in any other currency or currencies); or

(D) *Insolvency, etc.*: (i) the Issuer or any of its Principal Subsidiaries becomes insolvent or is *unable* to pay its debts as they fall due, (ii) an administrator or liquidator is appointed (or application for any such appointment is made) in respect of the Issuer or any of its Principal Subsidiaries or the whole or any part of the undertaking, assets and revenues of the Issuer or any of its Principal Subsidiaries, (iii) the Issuer or any of its Principal Subsidiaries takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it, or (iv) the Issuer or any of its Principal Subsidiaries ceases or threatens to cease to carry on all or any substantial part of its business (otherwise than, (x) in the case of a Principal Subsidiary of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent, or (y) in the case of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent where the surviving entity assumes the obligations of the Issuer and benefits from a credit rating equal to or higher than the relevant rating assigned to the Issuer prior to the reorganisation); or

(E) *Winding up, etc.*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of its Principal Subsidiaries (otherwise than, (x) in the case of a Principal Subsidiary of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent, or (y) in the case of the Issuer, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent where the surviving entity assumes the obligations of the Issuer and benefits from a credit rating equal to or higher than the relevant rating assigned to the Issuer prior to the reorganisation); or

(F) *Analogous event*: any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in sub-paragraph (E) (Winding up, etc.) above; or

(G) *Change of Ownership*: the Issuer (or the surviving entity that, for the purposes of, or pursuant to, an amalgamation, reorganisation or restructuring whilst solvent assumes the obligations of the Issuer and benefits from a credit rating equal to or higher than the relevant rating assigned to the Issuer prior to the reorganisation) ceases, directly or indirectly, to own more than 99 per cent. of the share capital or voting rights of any Principal Subsidiary, or such lower percentage of the share capital or voting rights of a Principal Subsidiary as is owned by the Issuer on the Issue Date or, if later, the date on which any person becomes a Principal Subsidiary; or

(H) *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the relevant Notes.

In these Terms and Conditions:

"**Event of Default Redemption Amount**" means (A) if "Specified Redemption Amount" is specified in the applicable Final Terms, an amount per Calculation Amount being the product of the Specified Fixed Percentage Rate and the Calculation Amount **provided that** the Specified Fixed Percentage Rate will not, in any case, be less than 100 per cent., (B) if "Par Redemption" is specified in the applicable Final Terms, an amount per Calculation Amount equal to 100 per cent. per Calculation Amount, or (C) if "**Amortised Face Amount**" is specified in the applicable Final Terms, an amount calculated in accordance with Condition 3(b) above.

"**Principal Subsidiary**" means any subsidiary of the Issuer:

(A) whose total assets or total profits before tax ("**Gross Profits**") represent 10 per cent. or more of the total assets or Gross Profits (as the case may be) of Euroclear Bank and its subsidiaries taken as a whole, in each case calculated by reference to the audited consolidated accounts of Euroclear Bank (total assets and total Gross Profits will, in respect of the subsidiaries, exclude assets and profits eliminated in such consolidation); or

(B) to which is transferred (since the date of the most recent published audited accounts of the Issuer and the audited consolidated accounts of its subsidiaries) all or substantially all the assets and undertakings of a subsidiary which, immediately prior to such transfer, was a Principal Subsidiary.

"**subsidiary**" means a subsidiary within the meaning of section 1159 of the Companies Act 2006.

12 Further Issues

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

13 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer or otherwise) by any Noteholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer, to the extent of the amount in the currency of payment under the relevant Note that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Note, the Issuer shall indemnify it against any loss sustained by it as a result. In any event, the Issuer, shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition 13, it shall be sufficient for the Noteholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or any other judgment or order.

14 Contracts (Rights of Third Parties) Act 1999

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

15 Governing Law and Jurisdiction

(a) Governing Law

The Notes, and any non-contractual obligations arising out of or in connection with them, are governed by, and shall be construed in accordance with, English law save that (A) any matter relating to title to, and the dematerialised form of, such Notes, and any non-contractual obligations arising out of or in connection with title to, and any matter relating to the dematerialised form of, such Notes, and (B) Conditions 1, 6, 11 and Schedule 1 shall be governed by, and construed in accordance with, Belgian law.

(b) Jurisdiction

The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes including any legal action or proceedings relating to any non-contractual obligations arising therefrom and accordingly any legal action or proceedings arising out of or in connection with any Notes including any disputes relating to any non-contractual obligations arising therefrom ("**Proceedings**") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of each of the holders of the Notes and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Service of Process

The Issuer irrevocably appoints Jennifer Parker (Company Secretary of Euroclear UK & Ireland Limited) at Euroclear UK & Ireland Limited, Watling House, 33 Cannon St, London EC4M 5SB, United Kingdom as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 8. Nothing shall affect the right to serve process in any manner permitted by law.

(d) Acknowledgment and Consent of the Bail-in Power

Each Noteholder (which includes any current or future holder of a beneficial interest in the Notes) acknowledges and accepts that any liability arising under the Notes may be subject to the Bail-in Power by the Relevant Resolution Authority and acknowledges and accepts to be bound by (x) the variation of the terms and conditions of the Notes, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Bail-in Power by the Relevant Resolution Authority, and (y) the effect of the exercise of the Bail-in Power by the Relevant Resolution Authority. Such exercise may, among others, include and result in any of the following, or a combination thereof:

(A) all, or part of the Notes or the Relevant Amounts in respect of the Notes being reduced or cancelled;

(B) all or part of the Relevant Amounts in respect of the Notes being converted into shares, other securities or other obligations of the Issuer or another person and such shares, securities or obligations being issued to or conferred on the Noteholder, including by means of a variation, modification or amendment of the terms and conditions of the Notes; and

(C) the maturity of the Notes being amended or altered, or the amount of interest payable on the Notes, or date on which interest becomes payable, including by suspending payment for a temporary period being amended.

In this Condition,

"**Bail-in Power**" means any statutory write-down and/or conversion power existing from time to time under any laws, regulations (including delegated or implementing measures such regulatory technical standards), requirements, guidelines, rules, standards and policies relating to the resolution of credit institutions, investment firms and their parent undertakings, and minimum requirements for own funds and eligible liabilities and/or loss absorbing capacity instruments of the Kingdom of Belgium, the NBB (or any successor or replacement entity having primary responsibility for the prudential oversight and supervision of the Issuer), the Relevant Resolution Authority, the Financial Stability Board and/or of the European Parliament or of the Council of the European Union then in effect in the Kingdom of Belgium, pursuant to which obligations of the Issuer can be cancelled, written down and/ or converted into shares, securities or obligations of the Issuer or any other person; and

"**Relevant Amounts**" means the principal amount of, and/or interest on, the Notes. These amounts include amounts that have become due and payable but which have prior to the exercise of the Bail-in Power by the Relevant Resolution Authority not yet been paid.

SCHEDULE 1
PROVISIONS ON MEETINGS OF NOTEHOLDERS

Interpretation

1. In this Schedule:

1.1 references to a "**meeting**" are to a meeting of Noteholders of a single Series of Notes and include, unless the context otherwise requires, any adjournment;

1.2 references to "**Notes**" and "**Noteholders**" are only to the Notes of the Series and in respect of which a meeting has been, or is to be, called and to the holders of those Notes, respectively;

1.3 "**agent**" means a holder of a Voting Certificate or a proxy for, or representative of, a Noteholder;

1.4 "**Block Voting Instruction**" means a document issued by a Recognised Accountholder or the Securities Settlement System in accordance with paragraph 8;

1.5 "**Electronic Consent**" has the meaning set out in paragraph 29.1;

1.6 "**Extraordinary Resolution**" means a resolution passed (a) at a meeting of Noteholders duly convened and held in accordance with this Schedule 1 (*Provisions on meetings of Noteholders*) by a majority of at least 75 per cent. of the votes cast, (b) by a Written Resolution, or (c) by an Electronic Consent;

1.7 "**Ordinary Resolution**" means a resolution with regard to any of the matters listed in paragraph 4 and passed or proposed to be passed by a majority of at least 50 per cent. of the votes cast;

1.8 "**Recognised Accountholder**" means an entity recognised as account holder in accordance with article 468 of the Belgian Companies Code (or, as soon as applicable, Article 7:35 of the New Company Code);

1.9 "**Securities Settlement System**" means the securities settlement system operated by the NBB or any successor thereto;

1.10 "**Voting Certificate**" means a certificate issued by a Recognised Accountholder or the Securities Settlement System in accordance with paragraph 7;

1.11 "**Written Resolution**" means a resolution in writing signed by the holders of not less than 75 per cent. in principal amount of the Notes outstanding; and

1.12 references to persons representing a proportion of the Notes are to Noteholders, proxies or representatives of such Noteholders holding or representing in the aggregate at least that proportion in nominal amount of the Notes for the time being outstanding.

General

2. All meetings of Noteholders will be held in accordance with the provisions set out in this Schedule.

2.1 For so long as the relevant provisions relating to meetings of bondholders of the Belgian companies code of 7 May 1999 (the "**Existing Code**") cannot be derogated from, where any provision of this Schedule would conflict with the relevant provisions of the Existing Code, the mandatory provisions of the Existing Code will apply.

2.2 Where any of the provisions of this Schedule would be illegal, invalid or unenforceable, that will not affect the legality, validity and enforceability of the other provisions of this Schedule.

Powers of meetings

3. A meeting shall, subject to the Terms and Conditions and (except in the case of sub-paragraph 3.5) only with the consent of the Issuer and without prejudice to any powers conferred on other persons by this Schedule, have power by Extraordinary Resolution:

3.1 to sanction any proposal by the Issuer for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer (other than in accordance with the Terms and Conditions or pursuant to applicable law);

3.2 to assent to any modification of this Schedule or the Notes proposed by the Issuer or the Agent;

3.3 to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;

3.4 to give any authority, direction or sanction required to be given by Extraordinary Resolution;

3.5 to appoint any persons (whether Noteholders or not) as a committee or committees to represent the Noteholders' interests and to confer on them any powers (or discretions which the Noteholders could themselves exercise by Extraordinary Resolution);

3.6 to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Notes in circumstances not provided for in the Terms and Conditions or in applicable law; and

3.7 to accept any security interests established in favour of the Noteholders or a modification to the nature or scope of any existing security interest or a modification to the release mechanics of any existing security interests.

provided that the special quorum provisions in paragraph 17 shall apply to any Extraordinary Resolution (a "**special quorum resolution**") for the purpose of sub-paragraph 3.6 or for the purpose of making a modification to the Terms and Conditions, the Notes or this Schedule which would have the effect of (other than in accordance with the Terms and Conditions or pursuant to applicable law):

(i) to amend the dates of maturity or redemption of the Notes or date for payment of interest or interest amounts;

(ii) to assent to an extension of an interest period, a reduction of the applicable interest rate or a modification of the conditions applicable to the payment of interest;

(iii) to assent to a reduction of the nominal amount of the Notes or a modification of the conditions under which any redemption, substitution or variation may be made;

(iv) to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment in circumstances not provided for in the Terms and Conditions;

(v) to change the currency of payment of the Notes;

(vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution; or

(vii) to amend this proviso.

Ordinary Resolution

4. Notwithstanding any of the foregoing and without prejudice to any powers otherwise conferred on other persons by this Schedule, a meeting of Noteholders shall have power by Ordinary Resolution:

4.1 to assent to any decision to take any conservatory measures in the general interest of the Noteholders;

4.2 to assent to the appointment of any representative to implement any Ordinary Resolution; or

4.3 to assent to any other decisions which do not require an Extraordinary Resolution to be passed.

Convening a meeting

5. The Issuer may at any time convene a meeting. A meeting shall be convened by the Issuer upon the request in writing of Noteholders holding at least 20 per cent. in principal amount of the Notes for the time being outstanding. Every meeting shall be held at a time and place approved by the Agent.

6. Convening notices for meetings of Noteholders shall be given to the Noteholders in accordance with Condition 8 (*Notices*) not less than fifteen days prior to the relevant meeting. The notice shall specify the day, time and place of the meeting and the nature of the resolutions to be proposed and shall explain how Noteholders may appoint proxies or representatives obtain Voting Certificates and use Block Voting Instructions and the details of the time limits applicable.

Arrangements for voting

7. A Voting Certificate shall:

7.1 be issued by a Recognised Accountholder or the Securities Settlement System;

7.2 state that on the date thereof (i) the Notes (not being Notes in respect of which a Block Voting Instruction has been issued which is outstanding in respect of the meeting specified in such Voting Certificate and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such Recognised Accountholder or the Securities Settlement System) held to its order or under its control and (if and only to the extent permitted by the rules and procedures of the Securities Settlement System) blocked by it, and (ii) that no such Notes will cease to be so held and blocked until the first to occur of:

(i) the conclusion of the meeting specified in such certificate or, if applicable, any such adjourned meeting; and

(ii) the surrender of the Voting Certificate to the Recognised Accountholder or the Securities Settlement System who issued the same; and

7.3 further state that until the release of the Notes represented thereby the bearer of such certificate is entitled to attend and vote at such meeting and any such adjourned meeting in respect of the Notes represented by such certificate.

8. A Block Voting Instruction shall:

   8.1 be issued by a Recognised Accountholder or the Securities Settlement System;

   8.2 certify that the Notes (not being Notes in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such Recognised Accountholder or the Securities Settlement System) held to its order or under its control and blocked by it and that no such Notes will cease to be so held and (if and only to the extent permitted by the rules and procedures of the Securities Settlement System) blocked until the first to occur of:

      (i) the conclusion of the meeting specified in such document or, if applicable, any such adjourned meeting; and

      (ii) the giving of notice by the Recognised Accountholder or the Securities Settlement System to the Issuer, stating that certain of such Notes cease to be held with it or under its control and blocked and setting out the necessary amendment to the Block Voting Instruction;

   8.3 certify that each holder of such Notes has instructed such Recognised Accountholder or the Securities Settlement System that the vote(s) attributable to the Note or Notes so held and (if and only to the extent permitted by the rules and procedures of the Securities Settlement System) blocked should be cast in a particular way in relation to the resolution or resolutions which will be put to such meeting or any such adjourned meeting and that all such instructions cannot be revoked or amended during the period commencing 48 hours prior to the time for which such meeting or any such adjourned meeting is convened and ending at the conclusion or adjournment thereof;

   8.4 state the principal amount of the Notes so held and (if and only to the extent permitted by the rules and procedures of the Securities Settlement System) blocked, distinguishing with regard to each resolution between (i) those in respect of which instructions have been given as aforesaid that the votes attributable thereto should be cast in favour of the resolution, (ii) those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution, and (iii) those in respect of which instructions have been so given to abstain from voting; and

   8.5 naming one or more persons (each hereinafter called a "**proxy**") as being authorised and instructed to cast the votes attributable to the Notes so listed in accordance with the instructions referred to in 8.4 above as set out in such document.

9. If a holder of Notes wishes the votes attributable to it to be included in a Block Voting Instruction for a meeting, he must (if and only to the extent permitted by the rules and procedures of the Securities Settlement System) block such Notes for that purpose at least 48 hours before the time fixed for the meeting to the order of the Agent with a bank or other depositary nominated by the Agent for the purpose. The Agent shall then issue a Block Voting Instruction in respect of the votes attributable to all Notes so blocked.

10. No votes shall be validly cast at a meeting unless in accordance with a Voting Certificate or Block Voting Instruction.

11. The proxy appointed for purposes of the Block Voting Instruction or Voting Certificate does not need to be a Noteholder.

12. Votes can only be validly cast in accordance with Voting Certificates and Block Voting Instructions in respect of Notes held to the order or under the control and (if and only to the extent permitted by the rules and procedures of the Securities Settlement System) blocked by a Recognised Accountholder or the Securities Settlement System and which have been deposited at the registered office at the Issuer not less than 48 hours before the time for which the meeting to which the relevant voting instructions and Block Voting Instructions relate, has been convened or called. The Voting Certificate and Block Voting Instructions shall be valid for as long as the relevant Notes continue to be so held and blocked. During the validity thereof, the holder of any such Voting Certificate or (as the case may be) the proxies named in any such Block Voting Instruction shall, for all purposes in connection with the relevant meeting, be deemed to be the holder of the Notes to which such Voting Certificate or Block Voting Instruction relates.

13. In default of a deposit, the Block Voting Instruction or the Voting Certificate shall not be treated as valid, unless the chairman of the meeting decides otherwise before the meeting or adjourned meeting proceeds to business.

Chairman

14. The chairman of a meeting shall be such person as the Issuer may nominate in writing, but if no such nomination is made or if the person nominated is not present within 15 minutes after the time fixed for the meeting the Noteholders or agents present shall choose one of their number to be chairman, failing which the Issuer may appoint a chairman. The chairman need not be a Noteholder or agent. The chairman of an adjourned meeting need not be the same person as the chairman of the original meeting.

Attendance

15. The following may attend and speak at a meeting:

    15.1 Noteholders and their agents;

    15.2 the chairman and the secretary of the meeting; and

    15.3 the Issuer and the Agent (through their respective representatives) and their respective financial and legal advisers.

    No one else may attend or speak.

Quorum and Adjournment

16. No business (except choosing a chairman) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Noteholders, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 days later, and time and place as the chairman may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.

17. One or more Noteholders or agents present in person shall be a quorum:

    17.1 in the cases marked "**No minimum proportion**" in the table below, whatever the proportion of the Notes which they represent; and

17.2 in any other case, only if they represent the proportion of the Notes shown by the table below.

Purpose of meeting	**Any meeting except for a meeting previously adjourned through want of a quorum**	**Meeting previously adjourned through want of a quorum**
	Required proportion	Required proportion
To pass a special quorum resolution	75 per cent.	25 per cent.
To pass any Extraordinary Resolution	A clear majority	No minimum proportion
To pass an Ordinary Resolution	A clear majority	No minimum proportion

18. The chairman may with the consent of (and shall if directed by) a meeting adjourn the meeting from time to time and from place to place. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this paragraph or paragraph 16.

19. At least ten days' notice of a meeting adjourned due to the quorum not being present shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. Subject as aforesaid, it shall not be necessary to give any other notice of an adjourned general meeting.

Voting

20. Each question submitted to a meeting shall be decided by a show of hands, unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairman, the Issuer or one or more persons representing 2 per cent. of the Notes.

21. Unless a poll is demanded, a declaration by the chairman that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.

22. If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairman directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.

23. A poll demanded on the election of a chairman or on a question of adjournment shall be taken at once.

24. On a show of hands or a poll every person has one vote in respect of each Note so produced or represented by the voting certificate so produced or for which he is a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.

25. In case of equality of votes the chairman shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.

Effect and Publication of an Extraordinary Resolution

26. An Extraordinary Resolution and an Ordinary Resolution shall be binding on all the Noteholders, whether or not present at the meeting, and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Ordinary Resolution or an Extraordinary Resolution to Noteholders within fourteen days but failure to do so shall not invalidate the resolution.

Minutes

27. Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairman of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

28. The minutes must be published on the website of the Issuer within fifteen (15) days after they have been passed.

Written Resolutions and Electronic Consent

29. For so long as the Notes are in dematerialised form and settled through the Securities Settlement System, then in respect of any matters proposed by the Issuer:

29.1 Where the terms of the resolution proposed by the Issuer have been notified to the Noteholders through the relevant clearing system(s) as provided in sub-paragraphs 29.1.1 and/or 29.1.2, the Issuer shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Agent or another specified agent in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (the "**Required Proportion**") by close of business on the Relevant Date ("**Electronic Consent**"). Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. The Issuer shall not be liable or responsible to anyone for such reliance.

29.1.1 When a proposal for a resolution to be passed as an Electronic Consent has been made, at least fifteen days' notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Noteholders through the relevant clearing system(s). The notice shall specify, in sufficient detail to enable Noteholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the "**Relevant Date**") by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).

29.1.2 If, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall be deemed to be defeated. Such determination shall be notified in writing to the Agent. Alternatively, the Issuer may give a further notice to Noteholders that the resolution will be proposed again on such date and for such period as determined by the Issuer. Such notice must inform Noteholders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph 29.1.1

above. For the purpose of such further notice, references to "**Relevant Date**" shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution which is not then the subject of a meeting that has been validly convened in accordance with paragraph 6 above, unless that meeting is or shall be cancelled or dissolved.

29.2 To the extent Electronic Consent is not being sought in accordance with paragraph 30, a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution or an Ordinary Resolution passed at a meeting of Noteholders duly convened and held, provided that the terms of the proposed resolution have been notified in advance to the Noteholders through the relevant clearing system(s). 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.

30. A Written Resolution or Electronic Consent shall take effect as an Extraordinary Resolution or an Ordinary Resolutions. A Written Resolution and/or Electronic Consent will be binding on all Noteholders whether or not they participated in such Written Resolution and/or Electronic Consent.

CLEARING

The Notes are in dematerialised form in accordance with Articles 468 et seq. of the Belgian Companies Code (or, as soon as applicable, Article 7:35 *et seq*. of the New Company Code) and cannot be physically delivered. The Notes will be represented exclusively by book entries in the records of the settlement system operated by the National Bank of Belgium or any successor thereto (the "**Securities Settlement System**"). Access to the Securities Settlement System is available through the Securities Settlement System participants whose membership extends to securities such as the Notes, including Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, INTERBOLSA, SIX SIS and Monte Titoli and through other financial intermediaries which in turn hold the Notes through Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, INTERBOLSA, SIX SIS, Monte Titoli or other participants in the Securities Settlement System. Possession of the Notes will pass by account transfer.

Payment of principal and interest in respect of Notes will be made in accordance with the applicable rules and procedures of the Securities Settlement System, Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, INTERBOLSA, SIX SIS, Monte Titoli and any other Securities Settlement System participant holding interest in the relevant Notes, and any payment made by the Issuer to the Securities Settlement System or, in the case of payments in any currency other than euro, to Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, INTERBOLSA, SIX SIS and Monte Titoli will constitute good discharge for the Issuer. Upon receipt of any payment in respect of Notes, the Securities Settlement System, Euroclear Bank (in its capacity as a clearing system), Clearstream, INTERBOLSA, SIX SIS, Monte Titoli and any other Securities Settlement System participant, shall immediately credit the accounts of the relevant account holders with the payment.

Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Securities Settlement System participants through which they hold their Notes.

Noteholders are entitled to exercise their voting rights and other associative rights (as defined for the purposes of Article 474 of the Belgian Companies Code (or, as soon as applicable, Article 7:41 of the New Company Code)) against the Issuer upon submission of an affidavit drawn up by the NBB, Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, INTERBOLSA, SIX SIS, Monte Titoli or another participant duly licensed in Belgium to keep dematerialised securities accounts showing their position in the Notes (or the position held by the financial institution through which their Notes are held with the NBB, Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, INTERBOLSA, SIX SIS, Monte Titoli or such other participant, in which case an affidavit drawn up by that financial institution will also be required).

Neither the Issuer, nor the Arranger, any Dealer or any Agent will have any responsibility for the proper performance by the Securities Settlement System or the Securities Settlement System participants of their obligations under their respective rules and operating procedures.

A Noteholder must rely on the procedures of the Securities Settlement System, Euroclear Bank (in its capacity as a participant and investor CSD with a banking licence in respect of the Securities Settlement System), Clearstream, Luxembourg, SIX SIS and Monte Titoli to receive payments under the Notes. The Issuer will have no responsibility or liability for the records relating to, or payments made in respect of, the Notes within the Securities Settlement System.

PROSPECTUS SUPPLEMENT

If at any time the Issuer shall be required to prepare a supplementary prospectus pursuant to the Prospectus Regulation, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus or further prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the Regulated Market, shall constitute a supplementary prospectus as required by the Prospectus Regulation.

The Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme (unless the Issuer has notified the Permanent Dealers that it does not intend to issue Notes under the Programme for the time being) there is any significant new factor, material mistake or inaccuracy relating to any matter contained in this Base Prospectus, the Issuer shall prepare a supplement to this Base Prospectus or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer an electronic copy of such supplement.

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be primarily used to improve the Issuer's liquidity position by increasing the Issuer's qualifying liquid resources as stipulated in the CSDR. It is anticipated that the net proceeds of the Notes may also be used as an alternative, and in some cases, a substitute, to the existing contingent liquidity facilities which are made available to the Issuer. The net proceeds of the issue may also be used for general corporate purposes.

DESCRIPTION OF THE ISSUER

1. Description of the Issuer

The Issuer is a public limited company (*naamloze vennootschap/société anynome*) of unlimited duration which was incorporated on 21 November 1986 under the Belgian Companies Code, and registered with the legal persons register (Brussels) under business identification number 0429.875.591. The registered office of the Issuer is at 1 Boulevard du Roi Albert II, 1210 Brussels, and its telephone number is +32 (0)2 326 1211.

The Issuer is an indirect subsidiary of Euroclear Holding SA/NV ("**Euroclear Holding**"), which replaced Euroclear Plc as the new ultimate holding company of the Group following a restructuring in 2018. The Issuer remains directly controlled by Euroclear SA/NV ("**ESA**"), which owns 99.9% of its shares. The Issuer operates branches in Hong Kong, Poland and Japan. The Issuer, as a single purpose bank, is the only credit institution in the Group and performs a CSD role. In its CSD role it provides multi-currency settlement and related securities services for transactions involving domestic and international bonds, equities and investment funds and other financial instruments to a wide range of international clients, which are mostly banks, custodians, broker-dealers and central banks. The Issuer has over 2,000 clients, which includes over 100 central banks and 90 per cent. of the world's 50 largest banks. In addition, the Issuer offers related services such as new issues distribution, collateral management and securities lending services, related treasury and credit services and information services. As at the end of 2018, the Issuer had approximately 1,730 employees who serve its global client base.

Besides its headquarters based in Brussels, the Issuer operates 3 branches of activity in Poland, Hong Kong and Japan. Euroclear Bank's branch in Krakow, Poland, Euroclear Bank (Spółka Akcyjna) - Oddział w Polsce, officially opened in January 2013 and by the end of 2018 had grown to 643 employees. The Krakow branch provides a dual-office arrangement with Euroclear Bank's existing operations in Belgium.

With 146 employees, the Hong Kong Branch of Euroclear Bank SA/NV is an important contributor to client servicing in Asia. Through the Hong Kong office, Euroclear Bank is able to provide clients with a global service offering, despite the time zone difference with its headquarters in Europe.

Since 1987, Euroclear Bank operated a representative office in Tokyo to support Japan-based users of its securities settlement system. This presence was reinforced in 2017 with the opening of a foreign bank branch with 16 employees in 2018 to further enhance the way Euroclear Bank supports its local customers.

The rights of ESA as the controlling shareholder of the Issuer are contained in the articles of association of the Issuer and the Belgian Companies Code and the Issuer is managed in accordance with those articles and with the provisions of the Belgian Companies Code.

2. Principal Activities of the Issuer and the Group

Euroclear is one of the world's largest providers of settlement and related services for cross-border transactions in domestic and international bonds, equities, investment funds and derivatives. The Group's main strategic objective is to be one of the world's pre-eminent providers of post-trade services through reliability, innovation and leadership by (i) building long-term partnerships with clients and (ii) supporting the stability and development of the markets, locally and globally. As the Group's CSD with a banking licence, the Issuer is central to realising the Group's strategic ambitions and, as at 31 December 2018, represents approximately 71% of the Group's operating income.

The Group has a multi-channel approach with a choice of platforms and channels for clients to access the Group's different products and services. The financial infrastructure companies within the Group have a fundamental role in providing specialised services to market participants, thus supporting stability in

existing markets and further developing local and global markets. In doing so, the Group works closely with clients and key market entities.

Robust risk management and compliance processes form an integral part of the Group's strategic decision making process and contribute to building and maintenance of a resilient and sustainable business.

Euroclear operates a Group-wide enterprise risk management ("**ERM**") framework, supported by a sound risk culture and transparent Board and Senior Management risk governance arrangements, to help manage the risks involved in the operation of both domestic and international settlement, custody and collateral services, and other settlement-related activities. The Group operates under a strong market infrastructure regulatory framework.

The Issuer – the Group's CSD with a banking licence

The Issuer serves major financial institutions located across more than 120 countries, offering a single access point to international and domestic securities. It connects over 2,000 financial market participants around the world and provides the following services and sub-services:

- securities settlement (equities and debt);
- funds order processing;
- asset servicing, including full custody and tax services; and
- asset optimisation through securities lending and borrowing, money transfer and integrated collateral management services.

The Issuer services over 1.5 million securities on its platform, covering almost all markets in the Eurozone and other selected key markets around the world. It settles securities transactions free of or against payment in over 50 eligible settlement currencies.

The Issuer provides settlement, custody, collateral management and related services. It is also a limited-purpose bank for settlement-related purposes only. It provides intra-day credit to facilitate settlement to increase settlement efficiency.

(A) Settlement and asset servicing

The Issuer's services focus on the settlement and asset servicing of domestic and international transactions.

Clients can settle transactions in the Issuer either against payment or free of payment. The Issuer operates a Delivery Versus Payment ("**DVP**") settlement system (BIS-DVP model 1), i.e. simultaneous settlement of securities and assisted cash transfers with immediate settlement finality for internal and bridge instructions for internationally traded securities. For cross-border instructions, local rules apply. The full range of internationally traded securities eligible for transfer and settlement includes government bonds, bills, and notes, exchange traded interest rates, bond and currency futures and also equities, warrants, investment funds and depository receipts.

The Issuer provides clients with the following asset servicing solutions:

- intra-day corporate action notification and real-time processing and reporting of related corporate action instructions;
- income and redemption processing and reporting;
- proactive withholding tax assistance;
- streamlined proxy voting procedures; and

- efficient market claims management.

The Issuer's principal aim is to provide the client with the full range of settlement and additional services for multiple asset classes in multiple markets.

(B) Safekeeping

The Issuer accepts a range of national and international securities for safekeeping, including:

- international bonds, i.e. Eurobonds, foreign bonds and global bonds;
- domestic debt;
- convertibles;
- warrants;
- equities;
- depository receipts;
- investment funds; and
- exchange-traded funds.

Securities deposited in the Euroclear system may be in either physical or dematerialised form. Securities in the Euroclear system are held on a fungible basis. Each client is entitled to a portion, represented by:

- the amounts credited to its "Securities Clearance and Transit Account"; and
- book entries on the books of the Issuer.

The Issuer also offers assistance with new issuances to issuers, lead managers and issuing agents through a broad range of services for an expanding range of international and domestic securities by:

- helping to identify the optimal structure for a new issue to guarantee efficient asset servicing;
- allocating a code for the issue: the Issuer is a numbering agency for international securities deposited in a CSD which holds a banking licence;
- securing the funds raised, offering simultaneous exchange of cash and securities (DVP);
- issuance; and
- taking over several administrative tasks related to a new issue.

(C) Collateral management services

Clients of the Issuer can benefit from Euroclear's expertise in the provision of collateral management services in support of their bilateral repurchase agreements, securities loans, secured loan facilities, derivative transactions and margining for central counterparties. This, together with Euroclear's securities lending facilities, can help clients to optimise returns on their assets and manage their risks effectively.

Euroclear's Collateral Highway, an open architecture global infrastructure for collateral management, provides clients of the Issuer with a neutral, inter-operable, venue-agnostic utility to source and mobilise collateral across geographical borders and time zones.

DTCC-Euroclear Global Collateral Ltd ("**DEGCL**"), Euroclear's joint venture with the Depository Trust & Clearing Corporation ("**DTCC**"), which was incorporated in September 2014 (and is not part of the Issuer), builds on Euroclear's position as one of the leaders in collateral management. In 2016, Euroclear began to

rollout Collateral Management Utility (under its GlobalCollateral joint venture) as a step to support clients in complying with new over-the counter derivatives regulations, enabling high levels of operating efficiencies to market participants and improving the stability and soundness of financial markets.

(D) Intra-day credit services

Time-critical payments are made on a client's behalf should they experience any short-term liquidity shortfalls in their cross-border transactions.

The Issuer also offers specialist products:

- EquityReach – a dedicated equities service, offering easy and direct access to multiple equity markets.
- FundSettle – a dedicated platform for automated fund transaction processing.

Clients have access to over 50 markets with a network management department overlooking CSD links and depositary links. This department is dedicated to maintaining and monitoring the network of sub-custodians with day-to-day contacts with all of the Issuer's sub-custodians.

The Euroclear CSDs

In addition to the services provided by the Issuer, the Euroclear CSDs cover Belgium, Finland, France, Ireland, the Netherlands, Sweden and the United Kingdom and serve local clients for local transactions. Each Euroclear CSD provides settlement, custody, collateral management and issuer services tailored to meet the needs of their clients and particular market environment.

- **Euroclear Settlement of Euronext-zone Securities** ("**ESES**") – Euroclear Belgium, Euroclear France and Euroclear Nederland are the only group of CSDs in the world operating with a single settlement platform and harmonised rules and practices. The ESES platform makes cross-border settlement as low-cost and straightforward as domestic transactions. The ESES CSDs also provide certain services to issuers.
- **Euroclear UK & Ireland** – the CSD of the UK, Ireland, Jersey, Guernsey and the Isle of Man which operates the CREST settlement system. It also operates the EMX Message System, Europe's leading investment fund messaging platform. In addition to a wide range of domestic securities, Euroclear UK & Ireland provides automated settlement and related services for UK fund transactions, significantly reducing the costs and risks associated with manual processing.
- **Euroclear Finland and Euroclear Sweden** – core to the Finnish and Swedish capital markets, these CSDs keep the register of almost all local shares and debt securities. Comprehensive settlement, custody and issuer services are fundamental to their markets. Euroclear Finland and Euroclear Sweden also provide certain services to issuers.

*3. **Strategic Developments***

The Issuer's business strategy builds on its position, as a systemically-important infrastructure, at the centre of the global financial market ecosystem.

Its open-architecture approach has enabled the Issuer to build an unparalleled network of issuers, intermediaries and investors around the world. By bringing together this network, the Issuer aims to facilitate financing in capital markets by reducing risk, increasing process efficiency in post-trade activities, and optimising collateral mobility and access to liquidity.

In realising this vision, the Issuer is focused on delivering three strategic objectives (each of which is discussed in greater detail below):

- strengthening its core European network in Eurobonds, European securities and fund asset classes;
- growing its network by expanding internationally (including in emerging markets) and by connecting global collateral pools; and
- reshaping its network by exploring innovative value-add solutions that ensure the Issuer's long term relevance to clients.

Delivery of these strategic objectives will help the Issuer's clients navigate a rapidly changing operating environment, while contributing to sustainable long-term financial performance.

In 2018, the Issuer reported record operating metrics and financial performance, which is testament to strategic progress made in previous years to develop its attractive network position.

Strengthening in the European core

The Issuer provides significant coverage of the Eurobond market with approximately 60% of Eurobonds held in Euroclear Bank. The Issuer also provides significant coverage of the European funds industry, with access to over 1,000 fund administrators and 100,000 funds. Euroclear's core European network generated approximately 75% of the Group's total business income in the year ended 31 December 2018.

(A) Adapting to regulatory changes in Europe

Participants and authorities increasingly expect infrastructure providers, such as the Issuer, to contribute actively to developing safer, more efficient and more transparent financial markets. A new regulatory landscape has been established in line with this intent, shaped by new and incoming pan-European legislation including MIFID II, Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 ("**EMIR**") (as amended, including by Regulation (EU) 2019/834 of the European Parliament and of the Council of 20 May 2019 (the "**EMIR Refit Regulation**")), the CSDR, Shareholder Rights Directive, banking regulations such as the BRRD and Anti-Money Laundering ("**AML**") regulation. Please refer to the "*Regulatory Information*" section of this Base Prospectus for further details.

The Issuer has made considerable investments to adopt these rules that directly affect its business, while playing an active role in meeting new industry needs that arise as clients adapt to the new regulatory requirements.

CSDR is a regulation that directly applies to the Issuer. As a single, pan-European rulebook for CSDs, CSDR aims to improve the safety and efficiency of settlement systems and processes. The changes required by CSDR further reinforce the Issuer's role as a provider of safe and efficient financial market infrastructure, while also cementing independent responsibility and accountability within the Issuer. The Issuer has submitted its application for authorisation under CSDR to the NBB in accordance with the required statutory timeline and is continuing to engage with the regulator in order to complete this process.

(B) Preparing for the new European landscape

Over a number of years, Europe has been moving towards a more harmonised financial marketplace in line with the European Commission's plans for a Capital Markets Union. This is reflected in a number of the new pan-European regulations described previously.

However, the United Kingdom's (UK) decision to leave the European Union has introduced uncertainty, and the Issuer is following developments closely. Nevertheless it believes that it is well positioned to manage the direct business implications of Brexit.

In anticipation of potential risk that may arise from Brexit, Euroclear moved the legal seat of the Group's ultimate holding company from the UK to Belgium. This guarantees that Euroclear's seat remains located

inside the European Union. The Issuer, and more globally the Group, remain firmly committed to the UK, including though the operation of its domestic CSD, and there was no business impact on day-to-day operations or jobs as a result of the reorganisation.

(C) Investing in relevant, efficient and safe CSDs

The Issuer continually invests in providing robust and relevant market infrastructure services for the markets it serves.

One of the most important developments in post-trade industry in recent years was the set up of the European Central Bank's TARGET2-Securities ("**T2S**") platform, which established a single settlement platform for Eurozone securities. Since autumn 2016, the Issuer has been connected to T2S through the ESES CSDs.

T2S provides potential opportunities for investors who wish to have a single gateway to Eurozone securities and for issuers that can attract a broader investor community more easily. Euroclear has been working to support global custodian clients in maximising the opportunities of having a single CSD access to T2S, which becomes increasingly attractive as the platform continues to gain volumes.

Having increased interoperability between ESES and the Issuer, international clients can now choose to access European liquidity in central bank money or commercial bank money, while benefiting from a range of value-add services. During 2018, Euroclear successfully launched the single CSD service with a first client, a major global custodian, and anticipates growth in the model in the years to come.

The Issuer continues to invest in connectivity and communications products that benefit clients' experience and increase operational efficiency. EasyWay is Euroclear's web-based interface that offers clients the ability to have a clear overview of settlement, collateral management and corporate actions activity. With accurate, real-time data at their fingertips, EasyWay helps users work efficiently and make fast, effective decisions to manage operational risks. Euroclear continues to see increasing usage of the EasyWay platform with over 250 active clients active on the platform.

Underpinning its proposition is the Group's capacity to deliver operationally stable platforms and the Group continuously invests to enhance its delivery against this customer promise. The Issuer has a number of programmes underway to enhance its systems resilience and reduce further operational risk.

A major focus of the Issuer's investments is reinforcing its cyber security capabilities to counteract the evolving threat posed by cyber criminals, who are showing increasing levels of sophistication and a propensity to target this sector in recent years. As well as enhancing systems and controls, Euroclear has invested in increasing the maturity of its cyber security risk culture and has collaborated in efforts to heighten cyber resilience in the financial industry.

Growing relevance in global initiatives

As an open financial market infrastructure provider, Euroclear supports the evolving requirements of participants as they look to benefit from the opportunities created by globalisation and an increasingly interconnected global economy.

(A) Providing global collateral management solutions

Through the Collateral Highway, Euroclear supports the financial market's requirement for a neutral, interoperable utility to source, mobilise and segregate collateral. It provides a comprehensive solution for managing collateral, offering clients a complete view of exposures across the full spectrum of their asset classes.

In addition to more traditional collateral management activities (typically repos, securities lending, derivatives and access to central bank liquidity), Euroclear's range of collateral management solutions

includes dedicated services for corporate treasurers, and a specialised equities collateral management service.

For the year ended 31 December 2018, the average daily collateralised outstanding on the Collateral Highway reached €1.2 trillion at Group level, up 7% year-on-year, with growth across business lines. The Issuer's average daily outstanding collateral for the same period reached €0.66 trillion, an increase of 12% compared with 2017.

During the course of 2017, Euroclear launched its new EasyWay contract management solution. This provides collateral management practitioners with a simple and intuitive online tool to negotiate, create and amend their collateral contracts, vastly speeding up what has traditionally been a long and arduous process.

DEGCL is connecting two of the most important pools of collateral to provide a truly global, end-to-end collateral management solution. In 2017, DEGCL gained the necessary regulatory approvals and successfully completed pilot programmes which generated a ramp up in client on-boarding for its collateral processing services in 2018.

The demand for collateral management services is expected to continue to accelerate, driven by the end of quantitative easing and the impact of new global regulations which require clients to post margin across transactions to reduce counterparty and systemic risk.

One area of regulatory changes is the new regime for initial margin requirements for non-cleared derivatives. During 2018, the Issuer continued to work with market participants to successfully on-board clients which transitioned to the new regime. Preparations are underway to support the broader range of clients which will do so in 2019 and 2020.

(B) Global and emerging markets

Across the globe, growth economies are seeking to attract foreign investors to help fund long-term development needs. At the same time, international investors are seeking opportunities to diversify and increase the profitability of their investments around the world, particularly during a period of historically low yields in Europe and North America.

Through the Euroclear Global Reach initiative, the Issuer connects domestic capital markets to a global investor base, with the aim of bringing more efficient capital flows and providing stability to these financial markets.

The attractiveness to both foreign investors and local issuers of a country connecting to the Issuer is illustrated by Chile. The proportion of Chilean government bonds funded by foreign investors rose from 5% in 2017 to more than 20% in their first issuance after becoming Euroclearable. Furthermore, borrowing costs related to issuing local currency denominated bonds declined compared to their previous practice of issuing Global Depository Notes.

Today, the global and emerging markets business line comprises links to 30 financial markets outside of Europe, representing a total of approximately €1 trillion of assets, establishing Euroclear as a global international network. The Issuer continues to assist local market authorities in a number of emerging markets around the world as they consider adapting legal frameworks to be in line with international standards, which is a pre-requisite for becoming 'Euroclearable'.

(C) Enhancing access to Funds

The objective of asset managers as funds promoters is similar to that of debt management offices: to enable broad and efficient access to their investment fund issuance. The Issuer supports their distribution strategies by developing its range of funds-specific post-trade services, known together as Euroclear FundsPlace. The Issuer's platform includes account opening, order routing, settlement, transparency, data minding,

underlying optimisation and asset servicing. It also provides access to a network of over 1,000 fund administrators, and routed over 2.5 million funds orders through its platforms in 2018, an increase of 1% year on year. The Issuer continues to deliver a more flexible service while allowing clients to leverage its full automation to reduce cost, risks and complexity associated with processing fund trades.

The fund industry is embarking on a period of significant evolution. New innovative business models are being created to meet the expectations of an increasingly global and technologically-savvy customer base and pressures to increase transparency and efficiency throughout the investment chain. The Issuer is working closely with the industry to meet these challenges.

A major trend in the fund management industry in recent years has been the rise of passive management. The Issuer has been at the centre of innovation in the Exchange-Traded Fund ("**ETF**") market by developing the international ETF structure.

With its simplified issuance structure, the international model is attractive to both ETF issuers and the International investor community. Today approximately 40 per cent. of the European ETF industry is in the international form. Innovation in the ETF space continues, and the Issuer has begun to see traction in using the asset class for collateral management purposes.

Innovating to reshape the network

The Issuer's strategy extends to exploring opportunities to support its clients' evolving needs in new areas that reflect its ambitions to increase safety, efficiency and global liquidity optimisation in the capital markets. By combining new technology with a new business model, the Issuer believes that there could be opportunities to reshape its network and deliver long-term sustainable business growth.

Given its role as a financial market infrastructure provider with over €13.5 trillion of assets under custody as at 31 December 2018, the Issuer today manages a vast amount of financial transaction data. The Issuer is looking to extend its role in bringing greater transparency and liquidity in global capital markets by harnessing that untapped data. By bringing new, valuable and actionable insights to clients, the Issuer believes that it can continue to support the development of safer, more efficient financial markets.

4. Risk Management for the Group and the Issuer

Risk Management Framework

The Issuer operates within a highly regulated market infrastructure regime, and intends to maintain its strong reputation in the financial industry for its safety and resilience, and for the quality of its products and post-trade services.

In this context, the Issuer's Board of Directors considers that a comprehensive and effective risk governance framework, underpinned by a sound risk culture, is critical to the overall effectiveness of the risk management arrangements. To ensure that the organisation's risk arrangements continue to meet Board, market and regulatory expectations, the Group is progressing with its Group-wide risk transformation programme across the three lines of defence.

The Group has established an independent second line control function ("**Risk Management**"), which offers its risk management services to all entities in the Group including the Issuer, and is headed by the Chief Risk Officer, which reports directly to the Chair of the Board's Risk Committee and the Chief Executive Officer of ESA. The Issuer's Board of Directors oversees the effectiveness and independence of the control functions. In particular, it ensures that the Risk Management function provides robust, independent oversight of risk-taking activities to help the Issuer achieve its goals and deliver its strategy within the Board's risk appetite.

The Risk Management function has developed a comprehensive Enterprise Risk Management ("**ERM**") framework which applies to all entities in the Group, taking into account relevant market and regulatory standards. The ERM framework structures the way the Issuer manages its risk, whilst pursuing its strategy and corporate objectives.

Euroclear's ERM framework:

- establishes clear and robust risk governance arrangements;
- ensures open and transparent identification, analysis, management, monitoring and reporting of risks – including root causes, potential impacts and incidents – from across the organisation;
- embeds risk appetite in senior management decision-making through Euroclear's Risk Appetite Framework ("**RAF**"), thereby ensuring an appropriate balance between risk and reward is maintained. Risk appetite helps senior management understand how much risk the Euroclear board is willing to accept in the pursuit of Euroclear's key goals; and
- helps foster a healthy risk culture including, amongst others, Euroclear's attitude towards risk and opportunity, Euroclear's level of risk awareness, how it takes decisions and how responsibility and accountability are defined. Risk culture is thus the embedding of risk management in Euroclear's day-to-day activities.

The three lines of defence model operated within Euroclear facilitates the effective operation of the ERM framework. Each line plays a distinct role providing senior management and the boards of the Issuer and ESA with assurance on Euroclear's likely achievement of its key goals through the effective management of risks.

(A) First line of defence: management

The first line of defence is the primary source of assurance on the adequacy and effectiveness of the control environment to Senior Management and the Issuer's Board, and is effectively responsible for ensuring risks are taken in line with Euroclear's risk appetite. This assurance is provided through, amongst other things, regular risk and control self-assessments, positive assurance reports, semi-annual assurance maps and an annual internal control system report. Senior Management of the Issuer uses the ERM framework to help them identify, assess control and mitigate risks that might impact the achievement of Euroclear's key goals, or are outside of Euroclear's risk appetite.

This first line of defence:

- provides the Board of the Issuer and the board of ESA with information on current risk profile, as well as key and developing risks;
- demonstrates to the board that risk controls are both adequate and effective; and
- advises whether key goals (objectives) are likely to be achieved.

(B) Second line of defence: Risk Management

The Risk Management function provides robust independent oversight of management risk-taking through a combination of continuous risk monitoring and independent risk assessments.

In doing so, Risk Management:

- establishes, maintains, facilitates and assesses the effective operation of Euroclear's ERM framework;

- constructively challenges management and advises the board on the identification, assessment, mitigation and reporting of risks;
- provides the Board and Risk Committee with an independent view of:
- risk capacity, appetite and profile;
- key and emerging risks, both at the Group and Issuer level; and
- likely achievement of key goals; and
- acts as an independent risk "sounding board" (providing advice) for Senior Management and the Board.

The Compliance & Ethics division defines the framework, monitors, tests, reports and escalates to management on controls relating to laws and regulations and advice on remedial actions. Compliance also provides regular training across the organisation to increase awareness of compliance risks and ethical issues.

(C) Third line of defence: Internal Audit

Internal Audit, which is centralised in ESA and offers its services to the other entities in the Group including the Issuer, provides comprehensive assurance based on the highest levels of independence and objectivity within the organisation, in order to support the Board and Senior Management in reaching their objectives. Internal Audit's scope is unrestricted, and provides assurance on the adequacy and effectiveness of Euroclear's governance, risk management and internal controls.

Euroclear faces a range of risks in pursuit of its key goals. The principal risks facing the organisation are reflected in Euroclear's nine top level risk categories: Conduct & Culture; Operational; Legal & Compliance; Credit; Liquidity; Market; Strategic & Business; Change; and Systemic risks.

Euroclear has developed the RAF that takes the board approved risk appetite statement in the Corporate Risk Management Board Policy and allocates it to each of Euroclear's principal risks. The RAF sets meaningful measures and limits for the amount of risk the board is willing to accept in relation to each of its principle risks in pursuit of its key goals.

Evidence of effective control operation is monitored and reported through Euroclear's quarterly Positive Assurance Reporting ("**PAR**") and annual Internal Control System ("**ICS**") reporting processes. The PAR provides management's view on the likely achievement of business objectives by entity or division and evidences the robustness of the risk and control environment in that area. The ICS provides an annual summary of Euroclear's risk and control environment and draws heavily from information captured through the PAR process.

Management performs an annual Risk & Control Self-Assessment ("**RCSA**") facilitated by the Risk Management division. The RCSA process is an annual management assessment of the adequacy and effectiveness of Euroclear's risk and control framework. The RCSA process also seeks to identify any new or emerging risks that need to be addressed. The RCSA and the complementary Horizontal Self-Assessment are key components of the ERM framework.

An annual, externally audited International Standard on Assurance Engagements ("**ISAE**") 3402, Assurance Reports on Controls at a Service Organization is produced for each Euroclear CSD providing assurance on relevant internal controls.

In its role as providing independent oversight of management risk-taking, Risk Management:

- performs continuous risk monitoring and analysis using a number of techniques, supplemented by independent risk assessments and horizon scanning to form its independent opinion of the Issuer's key and emerging risks. The results of RM's assessments are shared with senior management as appropriate and key information summarised and reported to the Management Committee and Board Risk Committee of the Issuer in the quarterly Chief Risk Officer's ("**CRO**") report;
- reports its assessment of the Issuer's risk profile and any areas of concern through the Risk Appetite Framework dashboard incorporated into the quarterly CRO report; and
- escalates to the appropriate level material risk issues when, in its opinion, either a new risk emerges or mitigating actions for an existing risk have been insufficient in scope and/or time.

Credit Risk

The credit risk framework sets limits based on the Issuer's credit risk appetite and addresses, among other things, the size and conditions of credit facilities for borrowing participants and market facilities to support treasury activity, concentrations and collateral quality. Furthermore, operational processes are designed and reassessed on a regular basis to actively monitor and minimise credit risks.

All credit granted to borrowing participants is based on a detailed credit assessment, is uncommitted, and must be secured by proprietary collateral, for which strict collateralisation quality and concentration rules apply. In this regard, nearly all credit to clients is extended on a very short term and secured basis, is granted to investment grade clients and is backed by high quality, liquid collateral (the majority of which is investment grade). Additionally, these uncommitted credit lines may be withdrawn at the Issuer's discretion at any time, and the Issuer undertakes continuous market and portfolio monitoring to further mitigate its counterparty credit risk. Unsecured exposure on borrowing participants is only permitted when allowed under the CSDR (e.g. exempted entities as per Article 23(2) of Regulation (EU) 390/2017).

Credit risk is mainly taken on borrowing participants and on other counterparties when performing the day-to-day balance sheet management, in particular re-depositing participant long cash balances or investing its capital and the proceeds of the debt securities issued. To date, the Issuer has not experienced any credit losses, not even during periods of market turmoil. This is largely due to the very short duration (mostly intraday) and predominantly secured nature of its credit exposures.

The Issuer also runs treasury exposures resulting from clients' end-of-day cash positions and investing of its own equity and issued debt. Treasury exposures are usually placed in the market with high-quality counterparties (nearly all of which are investment grade and predominantly rated A- or better) for a short duration, preferably by using reverse repurchase agreements or invested in very high quality securities (AA/AAA government or supranational mainly EUR-denominated and ECB eligible securities) with relatively short-term maturities. Unsecured treasury credit exposure is allowed but kept limited.

The Issuer's risk-weighted assets relating to the credit exposures detailed above were limited to €1,083 million at the end of 2018. Although this figure is higher than previous financial years (an increase from €891 million in 2017 and €805 million in 2016), the Issuer has maintained a conservative risk profile with limited aggregate exposure, with these risk-weighted assets representing a low fraction (less than 5%) of the Issuer's total assets which were reported at €25.4 billion at the end of 2018.

Market Risk

The majority of market risk in the Group is concentrated at the Issuer, however it is considered a low level risk, as the Issuer is not exposed to risks linked to equity or commodities and, as such, the market risk to which the Issuer is susceptible is limited to that resulting from changes in interest rates and foreign exchange rates. As part of the Issuer's Financial Risk Policy Handbook, a risk framework has been put in place to measure, monitor and control the interest rate risks arising from investment of the Issuer's capital

and the foreign exchange risk arising from the unpredictability of future earnings generated by the Issuer, which includes a hedging strategy to mitigate such risk. A Value-at-Risk ("**VaR**") methodology is used to measure interest rate and currency risk. The Management Committee of the Issuer sets VaR limits for all currencies combined.

In line with policy, the Issuer's core equity (shareholders' equity plus retained earnings) is invested in debt instruments rated AA- or higher. The duration of these assets is limited to five years and is currently around nine months.

Liquidity Risk

The Issuer provides liquidity to offer efficient settlement and custody services. It ensures timely cross-border settlement with domestic markets, supports new issues and custody activities, and enables clients to transfer sales and income proceeds in a timely manner. The Issuer's liquidity risk is largely intra-day and transactional.

The Issuer's overnight settlement process, enabling clients to settle transactions in a wide range of currencies within a single timeframe, efficiently recycles and minimises liquidity needs, as clients only have to fund the resulting net debit position.

The Issuer may end up with residual cash positions at the end of the day. On a daily basis, the Issuer is typically long cash, which it invests mostly on a very short-term basis to match the volatility of clients' settlement and money transfer activities.

The Issuer's liquidity risk appetite is very low, given how critical intra-day liquidity is for the efficient delivery of its settlement and custody services. The Issuer has, therefore, adopted a strong risk management framework to anticipate, monitor and manage the intra-day liquidity flows to ensure the quality of its services. Liquidity risk is further mitigated by the Issuer's strict client admission policy and the continuous monitoring of its clients and liquidity stress in the market, and by the fact that credit is secured, short-term, and only extended to participants in line with the available liquidity throughout the day. To minimise liquidity risk in the event of a borrowing participant default, the Issuer maintains a portfolio of assets that can generate same day liquidity.

Because liquidity is key for the efficient functioning of the Issuer, it has built a robust liquidity management framework to ensure smooth day-to-day operations and maintain a high level of preparedness to cope with unexpected and significant liquidity shocks. In 2018 the Issuer increased the robustness of its liquidity arrangements including enhanced contingency capabilities (e.g. increased committed liquidity facilities with a number of respected liquidity providers as well as own liquidity sources through the setup of debt issuance programs).

Additionally, in May 2019 the Issuer updated its "liquidity access waterfall". Under the liquidity access waterfall, were the Issuer to experience an unexpected liquidity shortfall in one or more currencies, the Issuer is entitled to cover such shortfall with client cash positions in the impacted currency(ies). In entering into settlement arrangements with the Issuer, clients agree that in this kind of distressed situation, their cash positions can be used to cover a funding shortfall before fulfilling any other instructions they may have sent to the Issuer. Where the Issuer experiences an unexpected liquidity shortfall and takes clients up on their commitment to fund it, each impacted client will have the right to:

(i) purchase securities held by the Issuer, settling such transactions against the funding it is providing the Issuer under the liquidity access waterfall; or

(ii) subscribe to a Euroclear Bank-issued Certificate of Deposit with one month tenor at an appropriate yield settling such subscription against the funding it is providing to the Issuer under the liquidity access waterfall.

The Issuer's assets are very short term by nature and it has very limited transformation risk on its balance sheet. This is also driven by the fact that the Issuer does not enter into any trading activity.

(A) Funding

The Issuer's settlement system allows for an efficient recycling of liquidity. Although the Issuer settles transactions amounting to over €2,900 billion each day (2018 average), it only extends less than 4% of the settled transactions in secured intra-day credit to its clients (due to netted back-to-back transactions and to an efficient securities lending and borrowing programme). Since the Issuer's daily payment receipts typically match its payment obligations, additional liquidity is only needed to smoothen or accelerate the payment process and to ensure the timely execution of time critical payments throughout the day.

To support its daily payment activity, the Issuer relies on a large network of highly rated cash correspondents and has direct access to the TARGET2 system for euro payments. In order to raise liquidity, the Issuer can also use its investment book, funded by equity and retained earnings. The investment book must be invested with the objective of capital and liquidity preservation, meaning in euro-denominated sovereign, supranational or agency debt instruments rated AA- or above and European System of Central Banks-eligible. The Issuer can also raise liquidity by investing in liquid securities using the proceeds of debt issued during the year as part of its funding strategy. Furthermore, the Issuer has a broad access to the inter-bank market and has contingency liquidity sources in place for the major currencies.

In June 2018, the Issuer issued under a Belgian law registered note format, various intra-group recovery capital instruments for €600 million in total on top of the €200 million contingent loan arranged in 2016 which was simultaneously converted into a registered note format. These instruments comprise €300 million Tier 2 capital and €500 million additional recovery capacity not accounted for in the Issuer's regulatory own funds. The Issuer's recovery capital instruments are aimed at structuring a relevant loss absorption mechanism to restore the capital position of the Issuer in recovery and resolution scenarios in accordance with the Banking Recovery and Resolution Directive applicable to it (please refer to paragraph 3 (*The Bank Recovery and Resolution Directive*) of the "*Regulatory Information*" section of this Base Prospectus for further details).

The recovery capital instruments issued by the Issuer were fully subscribed by Euroclear Investments SA after its debt issuance transactions realised in 2018 for €700 million in total. Euroclear Investments SA issued in April 2018, €300 million unsecured and unsubordinated 12-year fixed rate senior note and €400 million subordinated resettable 30-years fixed rate hybrid note callable at the option of the issuer after 10 years. These notes are listed on Euronext Dublin.

Besides the above long term note issuances, in 2018 the Issuer launched this Programme as well as a €3 billion certificates of deposit programme (the "**CD Programme**"), in order to ensure it has sufficient liquidity capacity to meet the requirements applicable to it under CSDR. Please refer to paragraph 1 (*The Central Securities Depositories Regulation*) of the "*Regulatory Information*" section of this Base Prospectus for further details. The Issuer issued a total amount equivalent to €2.5 billion (in EUR and GBP) from this Programme in 2018. The CD Programme was launched during the last quarter of 2018 and the Issuer issued certificates of deposit equivalent to about €500 million (in USD and GBP) from the CD Programme in 2018. Since the beginning of 2019, the programme limit under the CD Programme has been increased from €3 billion to €20 billion and, as at the date of this Base Prospectus, a further €2 billion has been issued.

The adequacy of the Issuer's liquidity capacity is assessed daily and approved monthly by its Credit and Assets and Liabilities Committee ("**CALCO**"). It also monitors the trend of liquidity risks that the Issuer faces through liquidity key risk indicators.

(B) Liquidity stress testing

The Issuer regularly performs idiosyncratic and market-wide liquidity stress tests to assess potential liquidity strains and to ensure adequate access to enough liquidity sources to fund any shortfalls.

(C) Contingency funding plan

The Issuer has a contingency funding plan in place that contains various different courses of action that can be executed by management in order to manage a liquidity stress event. The process for selecting which course of action is best suited for the circumstances encompasses a review of its potential liquidity value, the time and ease in which it can be executed and the impact on the Issuer's role as a CSD, as well as other market, legal, operational, tax, capital and regulatory considerations. Management may use their expertise and judgement in order to prioritise any actions required to develop a tailored response based on the nature, severity, location and expected duration of the liquidity stress event. On top of its own capital and access to regular market funding, the Issuer has negotiated committed liquidity lines and committed FX swap facilities. The contingency plan and the availability of contingency liquidity are regularly tested and subject to stress testing. Finally, to cover its short-term liquidity needs resulting from the default of a client, the Issuer has agreements in place allowing the Issuer to appropriate the client pledged collateral (immediate transfer of ownership). In order to generate liquidity, this appropriated collateral is then reused through repo arrangements with liquidity providers or pledged with the NBB, pending full liquidation.

In addition to other requirements, Euroclear complies with the requirements detailed in the Principles for Sound Liquidity Management and Supervision published by the Basel Committee on Banking Supervision and with principle 7 of Committee on Payment and Market Infrastructures-International Organization of Securities Commissions.

(D) Recovery Plan

In line with regulatory rules and guidance, a recovery plan is in place for the Issuer as part of its overall approach to a recovery, restructuring or orderly wind down situation. This plan is reviewed and approved by the Board of Directors, upon recommendation of the Risk Committee on a yearly basis. The recovery plan is designed to effectively recover from extreme but plausible stresses that could threaten the Issuer's viability so that it can ensure continuous operation of its critical services. To this end, the Issuer identifies and analyses a number of recovery options that it could take in order to restore its capital base, liquidity position or profitability, over a short- to- medium timeframe. In 2018, the Issuer increased its total recovery capacity to €800 million in total (compared to the €200 million contingent loan entered into in 2016) as well as the reliability of its capacity for the benefit of the market at large. Please refer to paragraph 3 (*The Bank Recovery and Resolution Directive*) of the "*Regulatory Information*" section of this Base Prospectus for further details.

Operational Risk

The Issuer has recently reviewed its risk management framework and, in particular, has enhanced the robustness of its Operational Risk Management Framework, following recent regulatory developments (such as CSDR). This includes the revision of the Group Operational Risk Board Policy ("**Group ORBP**"), which defines the key principles for operational risk and is developed and maintained in accordance with market practices and regulatory guidelines for risk management.

The primary goal of this policy is to define the operational risk management framework that ensures that the Issuer takes the necessary steps to effectively identify, assess, monitor and manage operational risk at all levels. The Operational Risk Management Framework also describes the roles and responsibilities for managing these risks, all relevant risk processes and the information needed to make sound management decisions.

The principles set in the Group ORBP are then detailed in the Group ORBP Handbook and in other board-approved policies for specific types of operational risks.

The Operational Risk Policy Handbook details how the Issuer identifies, measures, monitors, reports on and mitigates its operational risk. It also oversees what is considered as "operational risk", the sources to which they are related, and the different categories where they belong.

Operational risk is monitored and managed with the help of a number of tools:

- The Issuer has set up a database of potential risks and control weaknesses and carefully records incidents. The Issuer's database now has more than ten years of historical data on operational losses. Internal data is complemented by external loss data, as the Issuer is among the banks that provide information to the ORX database. The Operational Riskdata eXchange Association ("**ORX**") was founded in 2002 with the primary objective of creating a platform for the secure exchange of (anonymous) high-quality operational risk loss data. In benchmarking exercises conducted among the banks that contribute to the ORX database, losses related to operational risks (expressed relative to gross income), appeared to be significantly lower for the Issuer, compared to the other contributors to the database;
- each of the departments within the Group and the Issuer participates in annual risk and control self-assessments. Through workshops, the business owners revalidate both the high level and level two control objectives and identify weaknesses;
- standard operating procedures, written by each department in which they are to be used, help employees to execute their tasks appropriately and reduce the risk of errors; and
- in recent years, the Issuer has developed control maps or equivalent tools that map key processes and key controls against stated control objectives as a continuous controls effectiveness monitoring tool.

Business Risk and Strategic Risk

Business risk is the uncertainties and untapped opportunities embedded in the strategic intent and how well they are executed. Business risk also includes the risk that the strategies / business plan put in place results in failed business objectives e.g. negative profit and loss impact (risk of revenues and costs being different from forecast, including one time and/or recurring losses from poor execution of business strategy, late time to market or cash flows and operating expenses). Business risk also includes risks related to resources inadequacy and strategic misalignment with stakeholders.

Euroclear defines its general business risks through a bottom-up process, where all business areas assess their risks in a structured and recurring process, including strategic and business risks. These are consolidated for each Euroclear entity. The top-down approach is done by the management team in strategic and business risk assessments, including horizon scanning and out-of-the-box views on the CSD business.

The business risks are monitored through Group functions and in the local management team. A systematic and continuous analysis of client preferences and regulatory changes are done in product and client relation functions as well as in the legal department.

Strategic risk is the risk of the business model being inadequate in the medium to long term. This could result from (i) an inability to implement the core strategy, (ii) implementing the wrong strategy or (iii) being unable to adapt to external changes in the environment in which Euroclear operates.

The product management and finance functions conduct a monthly revenue assessment of all revenue streams. Market intelligence, regulatory changes and external sources of market statistics are used to evaluate internal revenue outcome and predictions. Forecasts of volumes, value and revenues are officially re-evaluated at the Group level three times per year. The monthly analysis and forecasts are sent to the Chief

Executive Officer (the "**CEO**"), the Group product management function and the executive committee of each entity of the Group.

5. History of the Group

The Euroclear system was set up in 1968 by the Brussels office of Morgan Guaranty Trust Company of New York ("**Morgan Guaranty**") (a part of J.P. Morgan & Company) to settle trades on the developing Eurobond market, and was sold to a number of principal users in 1972. Morgan Guaranty operated the Euroclear system via their Belgian Branch until these activities were transferred to the Issuer in 2001 and it took over all Euroclear- related operating and banking responsibilities from Morgan Guaranty.

Between 2000 and 2008, a number of Euroclear CSDs joined the Group and it now comprises the national CSDs for Belgium, France, The Netherlands, Finland, Sweden, the United Kingdom and Ireland.

In January 2005, the Group reorganised its corporate structure to separate the Issuer from the group of national CSDs into which it was then merged. The CSD, the Issuer, became a sister company of the Euroclear CSDs. A new, non-bank parent company – ESA – became the parent of all the Operating Entities (as defined below) and is a 99.99% owned subsidiary of Euroclear Investments, an intermediate holding company and an indirect subsidiary of Euroclear Holding.

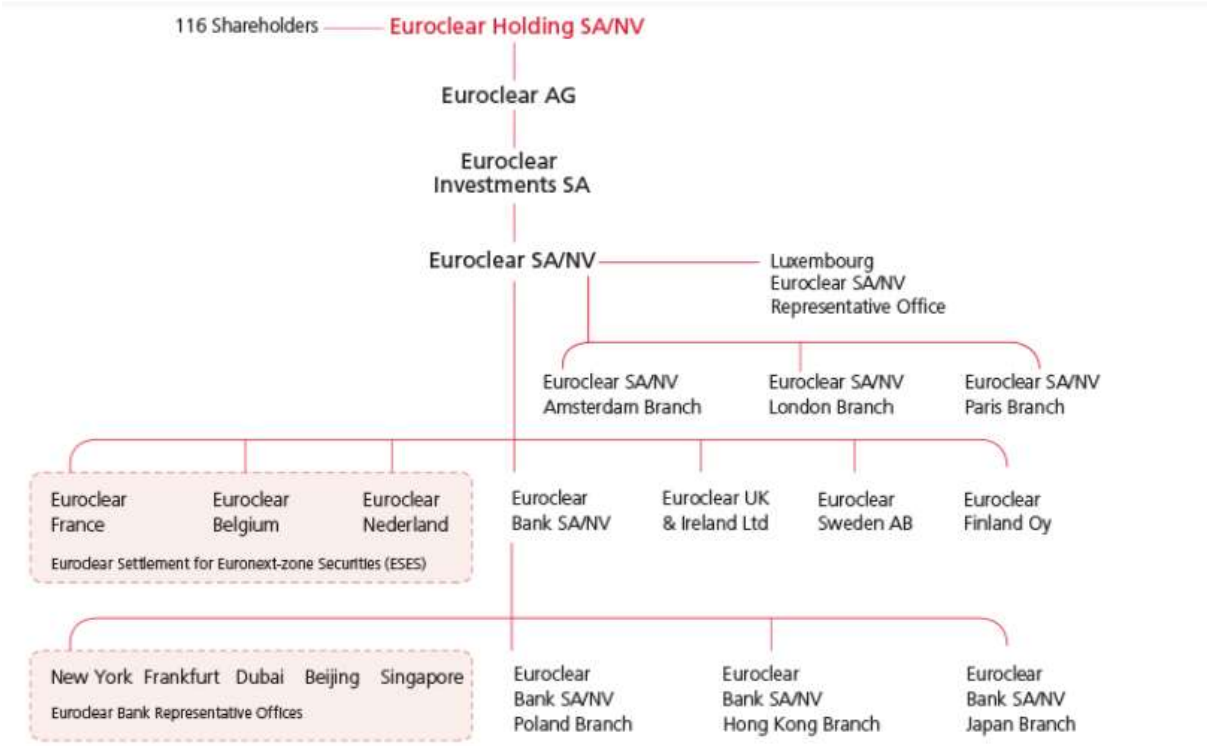
In 2007 and 2011 the Issuer opened representative offices in Frankfurt and Dubai respectively. Over the same period, the Group significantly increased its Hong Kong Branch operations to support both regional and global client needs and also opened a Beijing office to service its Chinese client base. In January 2013, the Issuer opened a branch in Krakow, Poland to complement its operations teams in Brussels, Belgium, and provide additional capability for business continuity purposes. In 2017, the Issuer opened a branch in Japan, in order to enhance the way it supports its Japanese customers. The Group has implemented this arrangement – three geographically-dispersed business operation sites – to secure business continuity and limit the risk that a single event would impact the main site and its back-up.

In June 2014, the Group (via Euroclear SA/NV) acquired an 8% stake in Euronext as part of Euronext's initial public offering. The Group is one of a group of reference shareholders who have a strategic interest in the future of Euronext which is the trading venue for the ESES markets.

In 2012, the Euroclear Collateral Highway was launched. It is the first fully open global market infrastructure to source and mobilise collateral across borders. By December 2015, Euroclear's Collateral Highway mobilised an average of EUR 1.063 billion of collateralised transactions daily.

Building on the success of the Euroclear Collateral Highway, the Group established an equally shared joint venture with the Depository Trust & Clearing Corporation ("**DTCC**") - DTCC-Euroclear GlobalCollateral Ltd ("**GlobalCollateral**"), which was incorporated on 26 September 2014. By connecting two of the most important pools of collateral, GlobalCollateral is an important step in supporting clients in meeting their new regulatory imperatives through the provision of a truly global, end-to-end collateral management solution. In 2017, GlobalCollateral gained the necessary regulatory approvals and successfully completed pilot programmes, ahead of an expected increase in client on-boarding for its collateral processing services in 2018.

Below is a simplified chart of the current corporate structure of the Group.



Group overview

(A) Euroclear Holding SA/NV

Euroclear Holding SA/NV ("**Euroclear Holding**") is the ultimate parent company which owns, directly or indirectly, the entire issued ordinary share capital of the Group. Euroclear Holding is an unlisted public limited company incorporated under the laws of Belgium. Euroclear Holding has 116 shareholders. Sicovam Holding SA is the largest shareholder with 15.89% of the shares. Several of the shareholders of Sicovam Holding SA are also clients of Euroclear. A number of Euroclear Holding's shareholders are also major market infrastructure providers, for example, both Société Fédérale de Participations et d'Investissement and the London Stock Exchange Group plc have become shareholders, holding approximately 2.05% and 4.92% respectively of the shares in Euroclear Holding. The 20 largest shareholders of Euroclear Holding represent 72% of the shares of the company, making Euroclear Holding a company with dispersed ownership. J.P. Morgan Overseas Capital and Société Générale are shareholders in Euroclear Holding, and have each appointed a director of Euroclear Holding.

The shares of Euroclear Holding may be transferred. Under the articles of association of Euroclear Holding, the board of Euroclear Holding can refuse to register a transfer for a defined period of time up to a maximum of six months by offering an alternative transferee. If the transferor does not find an agreement with the alternative transferee within the six month period referred to above, the transferor may transfer the relevant shares to the originally intended transferee in accordance with the provisions of the Belgian Companies Code. The board considers a share transfer on the merits of the request and identity of the proposed transferee. Due to the presence of regulated entities in the Group, competent authorities need to ensure the suitability of the shareholders of these entities. In particular, the Belgian regulated entities of the Group (ESA, the Issuer and Euroclear Belgium) are required to notify the NBB of the identity of direct or indirect shareholders reaching certain thresholds of participation in the Belgian entity's capital. The

concerned direct or indirect shareholder must gain prior approval from the NBB and, in some cases, the ECB. Similar obligations exist in relation to the other regulated entities within the Group.

(B) Euroclear AG

The purpose of Euroclear AG is the acquisition, holding, management and sale of participations in companies in Switzerland and abroad and in particular in Group companies. In addition, Euroclear AG (either itself or through certain of its subsidiaries) provides services in the non-regulated financial sector to the Group or third parties and researches and develops new business areas for the benefit of the Group.

(C) Euroclear Investments

Euroclear Investments is a wholly-owned subsidiary of Euroclear AG and it is the intermediary holding company through which Euroclear Holding holds its investments in the various operating entities. It provides various management and administrative services, such as, among others, providing real estate management for the benefit of the Group. Euroclear Investments is rated AA- by S&P and AA by Fitch.

(D) Euroclear SA/NV

ESA is the parent company of the Group's Operating Entities (as defined below) and provides system development and support services to those entities. Due to the limited nature of the activity of Euroclear Holding and Euroclear Investments' activity, neither company has dedicated internal audit, risk management or compliance functions. Instead, these control functions are established for the Group at the level of ESA, except where there is a specific legal or regulatory requirement for an individual entity to have a dedicated function. Services centralised in ESA are: commercial and marketing; compliance and ethics; continuous improvement and transformation; corporate governance and investor relations; financial; group management; HR, communications and Corporate Social Responsibility; internal audit; IT production and development; legal; product management; risk management; and strategy and public affairs. ESA and each of the Group's Operating Entities (as defined below) are directly supervised by the NBB, as well as other local regulators.

(E) Group operating entities

The Group's operating entities (the "**Operating Entities**") include the Euroclear CSDs and the Issuer in its capacity as CSD with a banking licence. The Euroclear CSDs - Euroclear Belgium, Euroclear France SA, Euroclear Nederland, Euroclear UK and Ireland Limited, Euroclear Sweden and Euroclear Finland - serve as local CSDs and settlement systems in the countries where they are based.

Group Corporate Organisation

The Group has set up an integrated corporate structure to help it deliver on its objectives.

The board of Euroclear Holding is responsible for all shareholder matters and ensuring that necessary financial resources are in place to meet strategic aims.

The ESA board is responsible for overseeing the ESA management, setting Group strategy and overseeing its implementation, ensuring effective risk management controls are in place, and setting a Group policies framework. The ESA board has established a management committee and delegated to it responsibility for managing the business of Euroclear within the strategy and general policy decided by the board, and to implement such strategy and general policy. ESA establishes the overall strategy and policies for the Group as a whole.

Within this framework, each Operating Entity sets its own strategic and operational objectives, which must be consistent with those set by ESA. These Operating Entities are separate legal entities, which are subject to their respective legal and regulatory environments. The board of directors (and board committees) of each of these Operating Entities is responsible for ensuring a consistent implementation of the Group's strategy

and due observance of the legal and regulatory requirements applicable to them. The boards of these entities are chaired by an independent non-executive director. The boards are also comprised of one member of the ESA management committee, other senior Group executives and independent directors (according to the respective entities' legal and regulatory requirements) affiliated neither with the Group executives nor with any user firm. This board composition is designed to ensure a coherent, effective and timely implementation across the Group of the strategy and policies set by ESA for the Group as a whole, while at the same time ensuring that each Operating Entity is governed consistently in line with its legal and regulatory requirements.

By playing a role both within ESA and at the boards of the Operating Entities, the Group's senior management ensures that there is coherence between the interests of the parent companies and the Operating Entities and that the sensitivities of the Operating Entities are well understood by the boards of the parent companies of the Group (Euroclear Holding and ESA) and vice versa.

In addition, numerous structural interactions are set up between the audit committee/risk committee of ESA and the Operating Entities. These include the minutes of the meetings of the Operating Entities' audit and risk committees being provided to ESA's audit and risk committees and a member of ESA's audit and risk committees attending an audit and risk committee meeting of each Operating Entity once a year. This formal interaction is strengthened by an open relationship between the chairmen of the Operating Entities and of the ESA audit/risk committee. At least two members of each of the audit/risk committee, the RemCo and the NGC (each as defined below) in each Operating Entity are independent directors.

6. Governance Structure of the Issuer

The Issuer has a board of directors (the "**Board of Directors**" or the "**Board**" and each member, a "**Director**"), currently comprising eleven Directors, as detailed in the table below. The Board has established various advisory committees, as detailed below, which monitor, assist and advise on their respective areas of delegated responsibility. Since 1 January 2001, the Board has established a management committee (the "**Management Committee**") in accordance with Article 24 of the Belgian Banking Law and, as long as applicable, Article 524bis of the Belgian Companies Code. The Management Committee has been entrusted with the general management of the Issuer with the exception of (i) the determination of the strategy and general policy of the Issuer and (ii) the powers reserved to the Board by law or the Issuer's articles of association (the "**Articles**"). The current members of the Management Committee have been identified in the table below as Executive Directors.

Name	**Position**	**Outside Directorships/Activities**
Robert Perice	Chairman and Director	European Money Market Institute (EMMI) aisbl MicroStart SCRL-FS UCL (Louvain School of Management) United Fund for Belgium Solvay Brussels School of Economics
Pierre Berger	Independent Director	Tertio Millennio cvba Lieven Gevaert Fonds vzw Leerstoel P.W. Segers vzw Centre d'Information du Revisorat d'Entreprises

		(ICCI) asbl/ Informatiecentrum voor het Bedrijfsfsrevisoraat vzw Stichting Docete Omnes vzw Parbeca Comm PMA Management Tertio vzw Auditcomlte Vlaanderen voor Lokale Besturen
Victoria Cochrane	Independent Director	Perpetual Income and Growth Investment Trust HM Courts and Tribunals Service Investec Asset Management Group plc
James Michael (Mike) Martin	Independent Director	HedgeServ (UK) Limited The Dundee United Football Company Ltd.
Bernard Frenay	Non-Executive Director	No reportable external functions
Anne Swaelus	Non-Executive Director	No reportable external functions
Valérie Urbain	CEO and Executive Director	Solvay Brussels School of Economics and Management asbl Woman on Board asbl
Didier Boonen	Executive Director	No reportable external functions
Paul Hurd	Executive Director	No reportable external functions
Stéphane Bernard	Executive Director	No reportable external functions
Marie-Anne Haegeman	Executive Director	No reportable external functions

The Directors may, from time to time, hold directorships or other significant interests with companies outside of the Group which may have business relationships with the Group. Directors have a legal and fiduciary duty to avoid conflicts of interest with the Issuer. The Board has adopted a policy and effective procedures to manage and, where appropriate, approve conflicts or potential conflicts of interest. Under these procedures, Directors are required to declare all directorships of companies which are not part of the Group, along with other appointments which could result in conflicts or could give rise to a potential conflict.

The Issuer confirms that there are no potential conflicts of interest between any duties owed to it and the private interests or other duties of the members of the Board of Directors or the members of the Management Committee.

The Issuer applies Article 523 and 524ter of the Belgian Companies Code (or, as soon as applicable, is expected to apply Article 7:96 of the New Company Code) and Article 24bis of the Belgian Banking Law in

relation to any conflicts of interest that the Directors may have when attending respectively, Board meetings, or Management Committee meetings. Where such conflict of interest arises under Article 523 or 524ter of the Belgian Companies Code (or, as soon as applicable, Article 7:96 of the New Company Code) and Article 24bis of the Belgian Banking Law, the relevant conflicted Director(s) do not attend the discussion of such topics or participate in the vote.

The business address for each of the above Directors is the Issuer's registered office (see address above).

According to article 28 of CSDR, a user committee (the "**User Committee**") has been established for the securities settlement system the Issuer operates.

Board of Directors

The Board of Directors is the ultimate decision making body of the Issuer and is charged with setting the policies and strategy for the Issuer within the framework of and taking into consideration the overarching strategy, policies and risk tolerance defined by the Group.

(A) Role and Responsibilities

The Board has the powers to carry out all acts that are useful to achieve the object of the Issuer as defined in the Articles, except those that are explicitly reserved by law or the Articles to its shareholders.

In carrying out this role, each Board member acts in good faith in the way s/he considers would be most likely to promote the success of the Issuer for the benefit of its shareholders as a whole while having due regard to the interests of other stakeholders (such as customers, employees and suppliers, public interest, supervisory authorities). The Board also has regard to the interests of the Group, provided the proper balance is struck between the burden imposed on the Issuer and the eventual benefit to the Issuer.

The primary responsibilities of the Board are to define and oversee the implementation of the strategy and objectives of the Issuer, its risk framework (including risk appetite and policies) and to supervise the Issuer's management. In defining the strategy of the Issuer, the Board handles any individual strategic matters as and when they arise.

The control and oversight of the Issuer's management is carried out by the Board in various ways. The Board has access to the minutes of all Management Committee meetings upon request. In addition, the Board also has access to all management reports on the implementation of the agreed strategy, risk profile and financial position of the Issuer and all other matters delegated from the Board to the Management Committee, including but not limited to regular reporting on risk control policies, risk tolerance, metrics and critical residual risk.

The level of control over management is assessed regularly by the Board as a whole as part of the Board's self-assessment process, which specifically covers the management's relationship with the Board. The responsibilities of the Board have been defined in detail in the Articles and its own Terms of Reference.

(B) Composition

The Board comprises at least six individual members. All Board members are natural persons. There is no maximum number of Board members prescribed by the Articles. In accordance with the Belgian Banking Law, the Board includes all the members of the Management Committee. The majority of the Board members are non-executive Directors.

At least one third, but no less than two of the non-executive Board members are independent Directors. The Issuer strives to have at least four independent directors on the Board to be able to reinforce the breadth and depth of expertise, build upon the Board effectiveness and governance and adequately constitute the Board committees. Independence is defined in accordance with the criteria defined under Article 526ter of the Belgian Companies Code (or, as soon as applicable, Article 7:87, §1 of the New Company Code) and takes

into account the European Securities and Markets Authority ("**ESMA**") Q&A considerations on the implementation of CSDR as well.

A number of the non-executive Directors on the Issuer's Board are also members of the Group management. This promotes a coherence in strategy and policies as between Group entities and ensures the sensitivities of the Issuer are well understood by ESA and vice versa. All non-executive directors have a fiduciary duty to act objectively and independently in that function to ensure that the corporate interests of the Issuer and the general interest of the infrastructure are preserved.

In order to ensure that the Board shall be composed of suitable members of sufficiently good repute with an appropriate mix of skills, experience and knowledge of the Issuer and of the market, the Issuer has adopted the "Board and Board Committee Composition Policy". All nominations to the Board are made, based on the particular need of the Board at the time of appointment:

- against merit, based on objective criteria defined by the Board;
- on the basis of a Director's potential contribution in terms of knowledge, experience and skills;
- with a view to ensuring a balanced Board;
- actively taking all aspects of diversity into account.

With a particular focus on gender diversity, a target of achieving (and maintaining) a minimum of one third representation of the under-represented gender in 2019 has been set. The Board will review each year, as part of the annual review of Board and Board Committee composition, and agree, as necessary, on measurable objectives for achieving and maintaining diversity on the Board.

The Issuer plans to reassess and further fine tune where appropriate its suitability policy and internal appointment process for Board, Management Committee and key function holders to adhere to the principles laid down in the latest joint ESMA and European Banking Authority ("**EBA**") guidelines on the assessment of the suitability of the management body and key function holders under Directive 2013/36/EU and MiFID II to the extent applicable.

(C) Appointment, Renewal and Resignation of Board Members

In line with Belgian legal requirements, Board members are appointed by the shareholders. The appointment of the Directors is for an initial term of three years. At the end of their term, Directors may be re-elected by the general shareholders meeting. Should a Board member leave the Board before the end of her/his term, the Board can appoint a new Board member to fill the vacancy; such appointment being confirmed by the shareholders at the next general meeting, and made for the remaining duration of the predecessor's term.

Appointments of individual Board members are subject to a prior assessment of his or her expertise and professional integrity, and to prior regulatory approval by the supervisory authority. Where a new Board member is being appointed, the NBB is provided with all the necessary information and documents to assess the experience and skills of the candidate and ensure s/he is fit and proper to sit on the Issuer's Board. The Issuer will also inform the supervisory authority of any proposed renewal of appointment, as well as of non-renewal and removal.

Once a Board member is appointed, information on the Board members, and on her/his directorship and managerial functions exercised outside the Issuer are communicated to the NBB through the eManex system.

The Board appoints a Chair from among its independent non-executive members, subject to prior regulatory approval from the NBB, and may at any time remove him/her from office.

The Chair presides every meeting of the Board and is responsible for directing, advising and leading the Board in all aspects of carrying out its role as the senior governing body of the Issuer. In carrying out this role, the Chair is pivotal in ensuring strong corporate governance and process integrity within the Board, facilitating the Board relationship with management, creating the conditions for overall Board and individual Director effectiveness, both inside and outside the boardroom, realising the potential of the Board and controlling the implementation of the allocation of powers between the Board and the Management Committee and putting in place a strong line of communication with the parent entity.

(D) Remuneration

The independent non-executive Directors are the only members of the Board of Directors who are remunerated for their mandate as Board member. The remuneration of the independent non-executive Directors shall not be linked to the business performance of the Issuer. The amount of remuneration takes account of the level of responsibility and time required in fulfilment of their Board role and is determined in line with the Issuer's Compensation Policy.

The shareholders set the collective amount of remuneration of directors who are remunerated for their Board positions, for division among the directors in such a manner as the Board of Directors may decide.

(E) External directorship and managerial functions

All members of the Board are required to commit sufficient time to perform their functions in the Issuer. There are some restrictions and limits on the number of directorship mandates or managerial functions that Board members can exercise outside the Group. Prior to accepting any external function, the Board member informs the Company Secretary, who will ensure the appropriate authorisation / information / publication procedure, as described in the Board Policy on External Mandates for Board and Senior Management pursuant to Article 62 §3 of the Belgian Banking Law, is followed.

Board Advisory Committees

In order to perform its responsibilities more efficiently, the Board has established several advisory committees: the Audit Committee, the Risk Committee, the Remuneration Committee and, the Nominations and Governance Committee.

(A) Composition and appointment

Each Committee is composed of at least three members per committee and consists exclusively of non-executive board members. The majority of the members of the committees are independent within the meaning of Article 526ter of the Belgian Companies Code (or, as soon as applicable, Article 7:87, §1 of the New Company Code) and taking into account the considerations of ESMA Q&A as well. The majority of members in each committee differs. Each non-executive director sits in no more than three Committees.

The Chair of each Committee is independent and cannot be Chair of the Board simultaneously. The Chair of the Audit, Risk and Remuneration Committees are different.

Committee members are appointed by the Board (except for the Chair of the Audit Committee being appointed by the Audit Committee members). The composition of each committee is regularly reviewed in order to make sure each committee remains properly composed, with the required level of collective and individual knowledge, commitment, availability and independence of mind.

The appointment of the Chair of each of the committees is made after having obtained the NBB approval regarding the fit and proper character of the candidate. Any change to the composition of any Board Committee is notified to the NBB.

Each Committee can, and does from time to time, appoint observers and/or advisors to the Committee who are professionals with experience relevant to the role and workings of the said Committee. The membership and expertise of those Committees is disclosed in the annual report.

(B) Audit Committee

The Audit Committee ("**AC**") is an advisory committee of the Board established to assist the Board in fulfilling its financial reporting, internal and external audit, technology, and compliance and ethics oversight responsibilities. Its responsibilities are detailed in its own Terms of Reference. In discharging its responsibilities, the Committee also reviews the controls over all outsourced services on which the Issuer is dependent.

The members of the AC collectively focus on understanding the Issuer's business, accounting and audit matters and at least one member is competent in either audit and/or accounting matters. The AC meets at least five times a year with additional ad-hoc meetings as deemed appropriate by the Chair.

(C) Risk Committee

The Risk Committee ("**RC**") assists the Board in fulfilling its oversight responsibilities for the Issuer in respect of the following**:** risk tolerance and profile, risk exposures, risk management framework and critical risk policies, risk management function, chief risk officer, strategic matters, remuneration policy and business continuity. The RC meets at least five times a year with additional ad-hoc meetings as deemed appropriate by the Chair.

The RC shall be informed about major risk or control issues raised by/to another board committee to enable it to assess the acceptability within the Issuer's risk profile.

The RC interacts with the Audit Committee to ensure consistency and avoid gaps in their respective roles. To this end, the chair of the Audit Committee has an open invitation to attend the Risk Committee meetings where desired. The Audit and RC may meet together from time to discuss areas of common interest and significant matters of relevant to both Committees including, but not limited to, internal capital adequacy assessment process, cyber security, internal control system reports.

(D) Remuneration Committee

The Remuneration Committee ("**RemCo**") assists and advises the Board of Directors in:

- defining a global compensation policy for the Issuer;
- ensuring that the members of the Management Committee, identified staff and the non-executive Board members of the Issuer are compensated as per the principles described in the Euroclear compensation policy; and
- overseeing management's implementation of the compensation policy.

The RemCo members exercise relevant and independent judgment on the remuneration policies and practices. They collectively are to the knowledge, expertise and experience concerning remuneration policies and practices, risk management and control activities, namely with regard to the mechanism for aligning the remuneration structure to the Issuer's risk and capital profiles. The RemCo members collectively also are to an understanding of the Issuer's business and competence relevant to the sector in which the Issuer operates.

The RemCo meets at least two times a year with additional ad-hoc meetings as deemed appropriate by the Chair.

The committee works closely with the Risk Committee in evaluating the incentives created by the compensation policy.

(E) Nominations and Governance Committee

The Nominations and Governance Committee ("**NGC**") assists and advises the Board of Directors in all matters in relation to the nomination of Board, Management Committee members and key function holders, Board and Committee composition, succession planning as well as corporate governance matters, including the suitability policy, as they apply to the Issuer.

Management Committee

(A) Roles and Responsibilities

The Management Committee reports directly to the Board and, where it concerns an area within the remit of the Board committees, to the Board's specific committees which in turn report their analysis on the same to the Board.

The Management Committee may delegate specific powers which may be exercised beyond the day-to-day management, with the power to sub-delegate, to one or more persons or group of persons. It may, among others, delegate, with the power to sub-delegate, the following specific powers, to be exercised consistently with the decisions of the Management Committee:

- specific powers to committees in all areas necessary or useful to the management of the Issuer; and
- specific powers to senior management, in all areas necessary or useful to the management of the Issuer insofar as they fall within the remit of their respective divisions.

Without prejudice to the prerogatives of the Board, certain powers are exclusive to the Management Committee vis-à-vis any other internal structure of the Issuer and may not be delegated by the Management Committee. Such powers include:

- the delegation of powers to committees established by the Management Committee, to one or more persons or to groups of persons, save where it is expressly provided in the Management Committee Terms of Reference;
- decisions on the reporting process to the Management Committee (content and frequency of reporting obligations);
- strategic recommendations to the Board;
- decisions effecting a material change to the global internal organisational structure of the Issuer; and
- decisions that involve a material reputational, material financial, or material legal risk to the Issuer.

(B) Composition

The Management Committee is composed of at least two members, and as many members as the Board may decide from time to time to appoint, who form a college.

In accordance with Article 24 of the Belgian Banking Law, all members of the Management Committee are members of the Board of Directors. Members shall be of sufficiently good repute and experience so as to ensure the sound and prudent management of the Issuer.

(C) Appointment and Resignation of Management Committee Members

With respect to future potential members of the Management Committee, the Chair of the Management Committee (i.e. the Chief Executive Officer) proposes possible candidates to the Board. The Board determines the length of Management Committee members' mandate, but members are generally appointed for an undetermined period of time.

Each proposal of appointment of a Management Committee member (and possible renewal of appointment) as well as the resignation or dismissal of a Management Committee member is duly notified to the NBB. Any appointment of a Management Committee member is subject to receiving the approval of the NBB. The NBB is provided with all the necessary information and documents to assess the experience and skills of the candidate and ensure s/he is fit and proper to sit on the Issuer's Management Committee. Once appointed, information on the Management Committee members and on his/her directorship and managerial functions exercised outside the Issuer are communicated to the NBB through the eManex system.

(D) Chair - Chief Executive Officer

The Chair of the Management Committee is the CEO and is appointed by the Board on the proposal of, and after consultation with, the Management Committee, and subject to approval by the NBB. The CEO must be a different person than the Chair of the Board.

The Management Committee has delegated to the CEO (in accordance with article 525 of the Belgian Companies Code (or, as soon as applicable, Article 7:121 of the New Company Code) relating to the delegation of powers) the day-to-day management and the representation of the Issuer, in respect of the areas on which competence the Management Committee has competency (as decided by the members of the Management Committee from time to time). The day-to-day management refers to those acts which are necessary for the day-to-day operating of the Issuer and for which a Management Committee meeting is not required, considering the minor importance of such acts and the necessity for prompt action. The CEO may sub-delegate any powers related to the day-to-day management to the persons s/he designates.

Internal Audit, Strategy, Legal, Regulatory Relationship Management, Corporate Secretariat, Human Resources, Communications and CSR, as well as Branch Managers report to the CEO.

The CEO is assisted by the Chief Finance Officer, the Chief Operating Officer, the Chief Risk Officer and the Head of Banking.

(E) Remuneration

The remuneration of the Management Committee members is fixed by the Board on the proposal of the RemCo. The RemCo discusses and recommends to the Board for approval the Management Committee members' annual and long-term fixed and variable compensation, as well as any executive perquisites, pension and other benefits. Fixed and variable compensation of Management Committee members is set out on the basis of the Issuer's compensation policy.

(F) External directorships and managerial functions

All members of the Management Committee should commit sufficient time to perform their functions in the Issuer. There are some restrictions and limits on the number of directorship mandates or managerial functions that Management Committee members can exercise outside the Group. Prior to accepting any external function (in or outside the Group), the MC member must inform the Company Secretary, who will ensure the appropriate authorisation/information/publication procedure is followed, as described in the Board Policy on External mandates for Board and Senior Management pursuant to Article 62 §3 of the Belgian Banking Law. Directorships functions exercised outside the Group are published on the Group website (www.euroclear.com).

(G) Advisory Group

The Management Committee has set up an advisory group (the "**Advisory Group**") composed of key senior roles who can contribute specific expertise to the Management Committee to assist it in carrying out its role. The Advisory Group would, where relevant, be asked to meet together with the Management Committee just before Management Committee formal meetings in order to ensure the necessary broader view on

topics under Management Committee consideration. The Management Committee retains full decision making power and responsibility on all matters within their role as delegated by the Board.

The members of the Advisory Group are determined by the Management Committee depending on their potential contribution in terms of knowledge, experience and skills, and in accordance with the needs of the Management Committee at the time of the nomination. The individual members' existing reporting lines within the Issuer will not be affected by their membership to the Advisory Group.

The Management Committee has also set up the following committees to assist it in the performance of its duties: Credit and Assets Liabilities Committee; Risk, Local Security & Operating Committee; and Group Admission Committee.

User Committee

(A) Roles and responsibilities

The User Committee provides independent advice to the Board, on key arrangements that impact the Issuer's users, for example, the criteria for accepting issuers and participants, and service level, including relevant significant developments needed to adapt to legal, regulatory, tax or other market changes impacting the way participants and/or issuers interact with the Issuer.

The User Committee may submit a non-binding opinion to the Board containing detailed reasons regarding the pricing structures. The User Committee may submit a request for implementation of DVP settlement for any link maintained by the Issuer that would not be a DVP link yet.

(B) Composition

The User Committee is composed of representatives of participants and issuers in the securities settlement system. The User Committee Chair and members should have appropriate knowledge of the post-trade industry, have sufficient seniority and experience.

REGULATORY INFORMATION

The Group operates in a highly regulated environment and it is subject to extensive regulation under the laws of the various jurisdictions in which the Issuer and the Group's national central securities depositories (the "Euroclear CSDs") operate. The following paragraphs contain a non-exhaustive summary of various of the regulatory regimes applicable to the Group.

As such, investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the regulatory landscape (and any reforms to it) in which the Issuer and the Group operate prior to making any investment decision with respect to any Notes issued by the Issuer.

1. *The Central Securities Depositories Regulation*

The Central Securities Depositories Regulation (EU) 909/2014 of 23 July 2014 ("**CSDR**") came into force in September 2014 and is, along with the additional legislation applicable to the Issuer as further detailed below, the main piece of legislation applicable to the Euroclear CSDs. Key aspects of the CSDR regulatory regime include: (i) provisions relating to securities settlement, including standardisation of settlement cycles and settlement discipline procedures; and (ii) regulation of CSDs, including initial authorisation requirements and ongoing prudential and conduct of business requirements applicable to CSDs, including CSDs which are permitted to carry on certain 'banking type' ancillary activities (such as the Issuer). CSDR also aims at making the EU CSD business more competitive, e.g. by giving issuers the choice of CSD, by opening access between CSDs and between CSDs, central counterparties and trading venues.

The Issuer has submitted its application for authorisation under CSDR to the NBB in accordance with the required statutory timeline and is continuing to engage with the regulator in order to complete this process. On authorisation the Issuer will be subject to supervision by the NBB as a CSD with a banking licence for the performance of banking-type ancillary services.

2. *Belgian Regulatory Oversight*

As a credit institution, the Issuer is supervised from a prudential viewpoint by the NBB pursuant to the Law of 25 April 2014 on the status and supervision of credit institutions and stockbroking firms (the "**Belgian Banking Law**") and the Law of 22 February 1998 establishing the organic status of the NBB (the "**Organic Law**"). In its capacity of credit institution, the Issuer needs to obtain the NBB's prior approval in respect of any strategic decision (within the meaning of Article 3, 63° of the Belgian Banking Law). The NBB has a right to object to strategic decisions taken by the Issuer if they (i) endanger the Issuer's ability to comply with the provisions of the Belgian Banking Law (or the provisions established pursuant to the Belgian Banking Law) or the sound and prudent management of the Issuer or (ii) create a material risk for the stability of the financial system. The NBB may impose specific measures on the Issuer in areas such as liquidity, solvability and concentration of risks if deemed necessary to ensure the stability of the financial system.

The Issuer also has the status of a settlement institution under Royal Decree n° 62 on the deposit of fungible financial instruments and the settlement of transactions involving such instruments, and is recognised as a 'central depository for financial instruments' (Royal Decree of 22 August 2002 fixing the date of entry into force of the Law of 2 August 2002 on the surveillance of the financial market). In this regard, the Issuer has applied for a license as central securities depository under the CSDR. The "Euroclear System" operated by the Issuer qualifies as a securities settlement system within the meaning of the Law of 28 April 1999 implementing Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on

settlement finality in payment and securities settlement systems (the "**Finality Law**") and is as such also supervised by the NBB in accordance with Article 8 of the Organic Law.

Pursuant to article 45 of the Law of 2 August 2002, the Issuer is also subject to supervision by the Belgian Financial Services and Market Authority (the "**FSMA**") for matters which fall within the competences of the FSMA.

For purposes of prudential supervision, the NBB has designated the Issuer as a domestic systemically important institution under Belgian Banking Law (also referred to as "other systemically important institution" or "O-SII" in Regulation (EU) 575/2013 of 26 June 2013 on minimum capital requirements ("**CRR**") and Directive 2013/36/EU of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (together, "**CRD IV**")).

3. *The Bank Recovery and Resolution Directive*

As the Issuer is a CSD with a banking licence, it and certain other entities in the Group (including, but not limited to, its parent company ESA and sister company Euroclear Belgium SA/NV) are subject to various powers granted under legislation at a national and European level aimed at, amongst other things, managing bank failures and safeguarding financial stability. The key legislation includes: (i) the BRRD, (ii) BRRD 2, and (iii) the Belgian Banking Law, which implements the BRRD into Belgian law.

Recovery plan

The BRRD requires institutions to draw up and maintain a recovery plan providing for the measures to be taken by them to restore their financial position following a significant deterioration of their financial situation, and submit the recovery plan for assessment to the Relevant Resolution Authority. Under article 110 of the BRRD and article 18 of Commission Delegated Regulation (EU) 2015/63, the Resolution Authorities may impose penalties and other administrative measures if an institution does not comply with its obligations regarding its recovery plan. Various entities in the Group, including the Issuer and ESA, are required to draw up, submit and maintain a recovery plan which is aimed at achieving stabilisation of the Group as a whole, or the individual institution (such as the Issuer) within it, when it is in a situation of stress in order to restore the financial position of the Group or the institution in question, taking into account the financial position of other Group entities.

The recovery, restructuring and wind-down plan of the Issuer details a number of recapitalisation and restructuring options to ensure that there is adequate capacity to deal with any severe stress that may occur. In accordance with the Issuer's status as a systemically important financial institution, wind-down options are also included to ensure that should the point of non-viability be reached, the Issuer can elect to wind-down (rather than be placed into resolution) without causing any interruption to its critical functions.

In March 2018 Euroclear Investments – an intermediary holding company of the Issuer - issued a €700 million dual-tranche senior and hybrid bond, which is listed on the ISE. Euroclear Investments has down-streamed €600 million of the proceeds of this bond to the Issuer, providing the Issuer with stable and long term financial capacity. The Issuer believes this financial capacity will assist in enabling it to meet future requirements for holding own funds and eligible liabilities under the BRRD.

Resolution tools

The BRRD is designed to provide the relevant regulatory authorities which have been established by Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 or any Resolution Authorities with a set of tools to enable them to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimizing the impact of an institution's failure on the economy and financial system. If the Resolution Authorities consider that (a) an institution is failing or likely to fail, (b) there is no

reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest, the Resolution Authorities may without the consent of the institution's creditors use the following resolution tools and powers alone or in combination: (i) to sell all or part of the business on commercial terms; (ii) to transfer all or part of the business to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control); (iii) to transfer impaired or problem assets to one or more publicly owned asset management vehicles with a view to maximizing their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) to "bail in" debt by writing down liabilities or converting certain unsecured debt claims to equity as a means of recapitalising the failing institution, as further described below. The Relevant Resolution Authority is entitled to exercise such rights described above in respect of the Issuer.

Bail-in powers

In order for the Relevant Resolution Authority to be permitted to exercise its bail-in powers, it must be satisfied that (in addition to the other cumulative conditions set out above) the Issuer is failing or is likely to fail. This determination requires that one or more of the following circumstances are present:

(i) the Issuer infringes or there are objective elements to support a determination that the Issuer will, in the near future, infringe the requirements for continuing authorisation in a way that would justify the withdrawal of the authorisation by the competent authority, including but not limited to because the Issuer has incurred or is likely to incur losses that will deplete all or a significant amount of its own funds;

(ii) the assets of the Issuer are or there are objective elements to support a determination that the assets of the Issuer will, in the near future, be less than its liabilities;

(iii) the Issuer is or there are objective elements to support a determination that the Issuer will, in the near future, be unable to pay its debts or other liabilities as they fall due; and

(iv) the Issuer requests extraordinary public financial support.

Article 44 of the BRRD specifies that governments will only be entitled to use public money to rescue credit institutions if a minimum of 8% of the own funds and total liabilities have been written down, converted or bailed in (Article 44(5)) or, by way of derogation, if the contribution to loss absorption and recapitalisation is equal to an amount not less than 20% of risk-weighted assets and certain additional conditions are met (Article 44(8)).

Ancillary powers

Article 64(1) of BRRD provides the Resolution Authorities with further powers, in addition to bail-in, to implement other resolution measures with respect to distressed banks, which may include (without limitation) the replacement or substitution of the issuer as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments) and discontinuing the listing and admission to trading of financial instruments.

4. *Capital and Liquidity requirements*

The Issuer is subject to the Basel III framework which is implemented through CRR and CRD IV. The Basel framework differentiates between three so-called pillars, which are expected to be mutually reinforcing. The Pillar 1 common equity tier 1 capital requirement is centred on the credit, market and operational risks that the Issuer is exposed to and is set under CRR and CRD IV at 4.50% of risk-weighted assets (CET1 ratio Pillar 1). Under Pillar 2, the Issuer is expected to produce its own assessment of capital and liquidity adequacy, based on the risks that the Issuer faces in its activities, including additional risk

types such as market risk in the banking book. Under CRR and CRD IV, the Issuer's Pillar 2 requirement is 23.55%, which needs to be fully covered with CET1 capital. This gives a Total SREP CET1 requirement of 28.05%, being the sum of the Issuer's Pillar 1 and Pillar 2 CET1 requirements. Pillar 2 also lays out the interaction between the banks' own assessments and the banking supervisors' response (the "supervisory review and evaluation process" or "**SREP**"). Pillar 3 aims to promote market discipline through the disclosure of institutional information.

Under CRR, banks are subject to a total capital requirement of 8% of risk-weighted assets, which includes a minimum requirement of Common Equity Tier 1 Capital ("**CET1 Capital**") equal to at least 4.5% of risk-weighted assets and Tier 1 capital equal to at least 6% of risk-weighted assets. The remaining total capital requirement can be satisfied using Tier 2 or Tier 1 capital. As indicated above, banks are also subject to Pillar 2 capital requirements set by their regulatory authority which capture risks not addressed adequately by the Pillar 1 capital requirements. In addition, banks are required to maintain a capital conservation buffer of 2.5% of risk-weighted assets, a countercyclical capital buffer of typically up to 2.5% of risk-weighted assets and, where applicable, additional buffers set by regulators to reflect the systemic importance of an institution. Each of these capital buffer requirements must be met with CET1 Capital.

At present, a capital conservation buffer of 2.5% is applicable to the Issuer, having been in place since 1 January 2019. The countercyclical buffer rate set by the NBB for Belgian exposures is currently set at circa 0.5%.

Given its O-SII status, in 2016 the NBB started applying an O-SII buffer of 0.75% (phased in over a period of three years (i.e. 0.25% in 2016, 0.50% in 2017 and 0.75% in 2018)) to the Issuer.

In addition, the Issuer needs to comply with the specific prudential regulatory requirements in respect of the management of liquidity risks pursuant to article 59(4) of CSDR, in particular the risk to which it would be exposed following the default of at least two of its participants.

The Issuer is also subject to certain capital requirements under CSDR. The CSDR sets minimum capital requirements for business risk and intraday credit risk to borrowing participants. These requirements are captured in the Pillar 2 CET1 capital requirement described above. In addition, CSDR requires CSDs to hold extra capital to ensure an orderly wind down as a 'gone concern'. For this purpose, the Issuer holds Tier 2 capital equivalent to six months of operating expenses (in addition to its CET1 capital requirements) and fully satisfies this requirement.

As at 31 December 2018, Euroclear Bank's regulatory own funds amounted to €1.9 billion, including €1.7 billion CET1 capital (which has remained stable over the last three years) and €0.2 billion Tier 2 capital, while its risk-weighted assets reached €4.04 billion leading to a total capital ratio at 46.9%, in comparison to 36.6% and 35.9% as at 31 December 2017 and 2016 respectively. In addition to this, Euroclear Bank's leverage ratio amounted to 5.95% as at 31 December 2018, 3% above the level that is required by Basel III. With a total capital ratio of 46.9%, the Issuer holds around five times the minimum CET1 requirement under CRR and CRD IV (including the O-SII buffer and the capital conservation buffer mentioned above).

During the first quarter of 2019, the Issuer converted an additional €100 million of capital instruments to Tier 2 capital and recognised €93 million of retained earnings. As at the end of the first quarter of 2019, the Issuer therefore had approximately €1.995 billion in total regulatory own funds.

Euroclear Bank's liquidity ratios are also above the requirements of Basel III, with a Liquidity Coverage Ratio ("**LCR**") of 202% and Net Stable Funding Ratio ("**NSFR**") of 1182% as at 31 December 2018. The LCR and NSFR ratios were 135% and 805% respectively as at 31 December 2017 and 178% and 197% as at 31 December 2016.

5. ***Minimum requirement for own funds and eligible liabilities***

In addition to the requirements detailed at paragraph 4 above, the BRRD imposes upon credit institutions a requirement to hold specified amounts of MREL-eligible instruments, with the aim of ensuring their loss absorption and recapitalisation capacity. A Commission Delegated Regulation (EU) 2016/1450 of 23 May 2016 ("**Delegated Regulation**") has specified the components to be taken into account by the relevant Resolution Authorities in determining the applicable MREL requirement with respect to a specific credit institution. As a general rule, the loss absorption and recapitalisation capacity of a credit institution should be determined on the basis of the applicable capital requirements (as set under CRD IV), as well as certain other specified requirements such as combined buffer and leverage ratio requirements, in each case by taking into account the business and funding models and risk profile of the relevant credit institution. However, pursuant to article 4(3) of the Delegated Regulation for those credit institutions which are subject to the CSDR - which includes the Issuer as a CSD with a banking licence - only capital requirements under CRD IV should be taken into account for assessing the default loss absorption and recapitalisation requirements which should apply to it, although the Resolution Authorities may adjust the loss absorption amount in certain circumstances.

The precise level of the requirement applicable to the Issuer has not yet been determined by the Relevant Resolution Authority and consequently, the Issuer is currently relying on the Delegated Regulation and CRD IV to assess the level of the loss absorption and recapitalisation requirement that it expects to apply to it.

On 23 November 2016, the European Commission also published legislative proposals for amendments to CRD IV, the SRM Regulation and the BRRD and proposed an additional amending directive to facilitate the creation of a new asset class of "non-preferred" senior debt. The package of reforms (including BRRD 2) was adopted by the European Parliament on 16 April 2019 and adopted by the Council of the European Union on 14 May 2019. Among other things, the package of reforms includes the introduction of fixed minimum levels of MREL (with firm-specific top-ups (including market confidence buffers) in certain circumstances), and a requirement to meet a certain proportion of MREL using subordinated liabilities. The reforms were published in the Official Journal of the EU on 7 June 2019 and entered into force on 27 June 2019. Separately, Directive 2017/2399 amending Directive 2014/59/EU, implementing the "non-preferred" senior debt class came into force in December 2017.

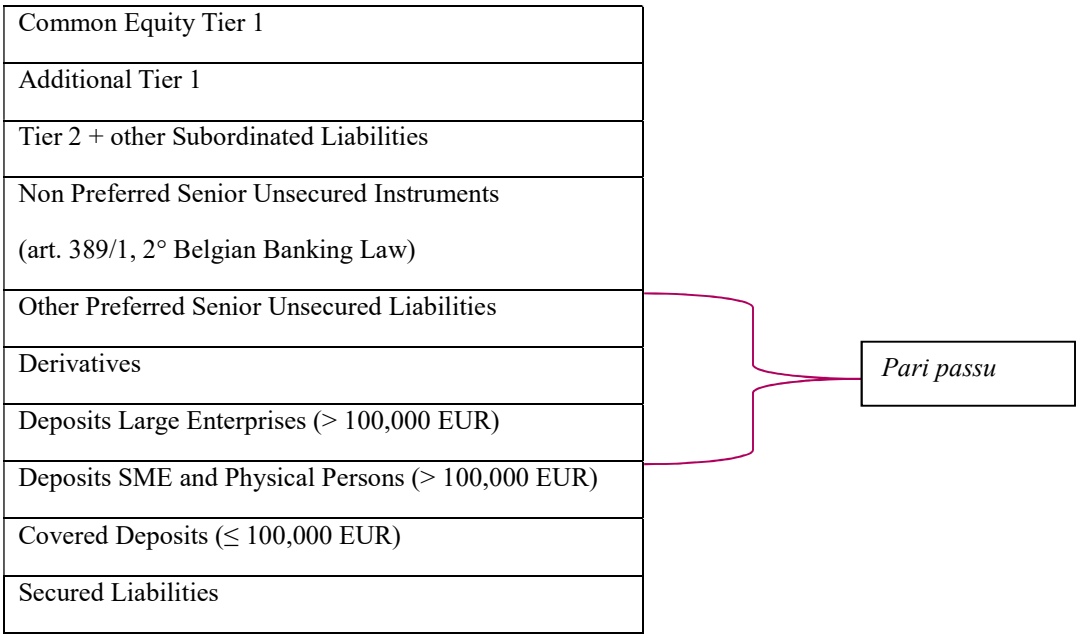
On 31 July 2017, the Belgian legislator adopted a new law to, amongst others, amend the Belgian Banking Law in order to give effect to certain of these reforms in advance. In particular, the law added a new article 389/1 in the Belgian Banking Law which aims to increase the effectiveness of the bail-in tool and introduces a new category of claims in the statutory creditor hierarchy in the case of a liquidation procedure (*procédure de liquidation/liquidatieprocedure*) of a credit institution. Article 389/1 of the Belgian Banking Law now divides senior notes into: (i) senior preferred notes, retaining the same ranking as the previous senior notes; and (ii) senior non-preferred notes. Senior non-preferred notes are direct, unconditional, senior and unsecured (*chirographaires/chirografaire*) obligations. Such senior non-preferred notes must have the following characteristics:

(i) they do not include embedded derivatives and are not themselves derivatives. Debt instruments with a variable interest rate resulting from a widely used benchmark rate and debt instruments that are not denominated in the issuer's domestic currency, provided that the principal, the repayment and the interest are denominated in the same currency, are not considered as debt instruments including embedded derivatives as a result of these sole features;

(ii) their maturity may not be less than one year;

(iii) the issuance terms must expressly provide that the claim is unsecured (*chirographaire/chirografair*) and that their ranking is as set forth in Article 389/1, 2° of the Belgian Banking Law.

Following the implementation of this new Article 389/1 of the Belgian Banking Law and in accordance with Article 389 of the Belgian Banking Law and any other relevant provisions of Belgian law, in case of liquidation of a Belgian credit institution or stockbroking firm, the claims will rank as follows (whereby CET1 Capital will rank lowest):



6. *Benchmark Regulations and Reform*

As mentioned in risk factor 29 (*Risks related to the reform and regulation of Benchmarks),* various Reference Rates and indices, including interest rate benchmarks, such as EURIBOR and LIBOR, which are deemed to be Benchmarks and which may be used to determine the amounts payable under financial instruments or the value of such financial instruments, have, in recent years, been the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform and changes to existing Benchmarks, with further changes anticipated.

The Benchmark Regulation, which entered into force on 1 January 2018 (with exception of certain provisions specified in Article 59 that have applied since 30 June 2016 and Article 56 which has applied since 3 July 2016), applies to the provision of Benchmarks, the contribution of input data to a Benchmark and the use of a Benchmark within the European Union. Among other things, the Benchmark Regulation (i) requires Benchmark administrators to be authorised or registered (or, if based outside the European Union, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of Benchmarks of administrators that are not authorised or registered (or, if based outside the European Union, not deemed equivalent or recognised or endorsed). Pursuant to the Benchmark Regulation, an index provider needs to apply for authorisation or registration by 1 January 2020. It may, however, continue to provide an existing Benchmark (i.e. a Benchmark existing on or before 1 January 2018) until 1 January 2020 or, where an application for authorisation or registration is submitted, unless and until the authorisation or registration is refused. In the meantime a political agreement was reached in the European Parliament to extend this deadline until 31 December 2021.

Additionally, in March 2017, the European Money Markets Institute ("**EMMI**") published a position paper setting out the legal grounds for certain proposed reforms to EURIBOR. The proposed reforms seek to clarify the EURIBOR specification, to align the current methodology with the Benchmark Regulation, the IOSCO Principles (i.e. nineteen principles which are to apply to Benchmarks used in financial markets as published by the Board of the International Organisation of Securities Commissions in July 2013) and other regulatory recommendations and to adapt the methodology to better reflect current market conditions. EMMI is more specifically aiming to evolve the current quote based methodology to a transaction based methodology in order to better reflect the underlying interest that it intends to measure and adapt to the prevailing market conditions.

EMMI launched stakeholder consultations on a hybrid methodology for EURIBOR in March 2018 and October 2018. In February 2019, EMMI published a summary of stakeholder feedback on its second consultation, along with a blueprint aimed at providing further transparency and clarity on the hybrid methodology. On 2 July 2019, EMMI was granted an authorisation by the Belgian Financial Services and Markets Authority under Article 34 of the Benchmark Regulation for the administration of EURIBOR and indicated that it aimed to complete the implementation of the new methodology before the end of 2019. The fact that EMMI has obtained authorisation as administrator of the EURIBOR benchmark in Belgium confirms that the requirements contained in the Benchmark Regulation are met in respect of that entity. This means EURIBOR may be administered by EMMI after 1 January 2020, which could be an indication of the future durability of the EURIBOR benchmark in Belgium.

On 21 September 2017, the ECB, the European Commission, ESMA and the Belgian Financial Services and Markets Authority announced that they would be part of a new working group tasked with the identification and adoption of a "risk free overnight rate" which can serve as a basis for an alternative to current Benchmarks used in a variety of financial instruments and contracts in the euro area. On 14 March 2019, the working group endorsed recommendations regarding the transition from the euro overnight index average (EONIA) to the euro short-term rate (€STR) and the calculation of an €STR-based term structure. The ECB also announced that it would begin publishing the €STR as of 2 October 2019. On 16 July 2019, the working group proposed that, from the first publication of €STR, EONIA would become €STR plus a fixed spread of 8.5 basis points. The working group also advised market participants, whenever feasible and appropriate, no longer to enter into new contracts referencing EONIA as from 2 October 2019. The working group noted that this guidance would be particularly relevant in respect of new contracts maturing after December 2021, at which point (under current proposals) EONIA will be discontinued.

On 27 July 2017, the Chief Executive of the United Kingdom Financial Conduct Authority ("**FCA**"), which regulates LIBOR, announced that it does not intend to continue to persuade, or use its powers to compel, panel banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. The announcement indicates that the continuation of LIBOR on the current basis is not guaranteed after 2021. In March 2018, the FCA published a policy statement setting out its compulsion powers (Policy Statement PS18/5, *Powers in relation to LIBOR contributions*), but did not consider a need to use them in light of its plans and transitions to alternative rates. In addition, on 24 November 2017, the FCA had announced that all of the 20 LIBOR panel banks agreed to remain as submitters until the end of 2021.

Following the implementation of these reforms or any such potential reforms, the manner of administration of Benchmarks may change, with the result that they may perform differently than in the past, or the Benchmark could be eliminated entirely, or there could be other consequences that cannot be predicted. As such, investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation and other benchmark-related reforms in making any investment decision with respect to any Notes linked to or referencing a "Benchmark".

COMMON REPORTING STANDARD – EXCHANGE OF INFORMATION

Following recent international developments, the exchange of information is governed by the Common Reporting Standard ("**CRS**"). On 25 June 2019, the total of jurisdictions that have signed the multilateral competent authority agreement on automatic exchange of financial account information ("**MCAA**") amounts to 106. The MCAA is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

The MCAA entered into force in 2017 in 53 jurisdictions, including Belgium (the so-called early adopters). Income relating to income year 2016 were hence the first to be automatically exchanged by said early adopters. As of 2018, the MCAA was applied by 47 additional jurisdictions. It is intended to be applied by 1, 4 and 1 additional jurisdictions as of 2019, 2020 and 2021 respectively.

Under CRS, financial institutions resident in a CRS country are required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which include trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

On 9 December 2014, EU Member States adopted Directive 2014/107/EU on administrative cooperation in direct taxation ("**DAC2**"), which provides for mandatory automatic exchange of financial information as foreseen in CRS. DAC2 amends the previous Directive on administrative cooperation in direct taxation, Directive 2011/16/EU and replaces the EC Council Directive 2003/48EC on the taxation of savings income (commonly referred to as the "**Savings Directive**") as from 1 January 2016. Austria has been nonetheless allowed to exchange information under DAC2 as from 1 January 2017.

On 27 May 2015, Switzerland signed an agreement with the European Union in order to implement, as from 1 January 2017, an automatic exchange of information based on the CRS. This new agreement replaces the agreement on the taxation of savings that entered into force in 2005. As of 1 January 2017, financial institutions in the EU and Switzerland apply the due diligence procedures envisaged under the new agreement to identify customers who are reportable persons, i.e. for Switzerland, residents of any EU Member State. By September 2018, the national authorities will report the financial information to each other.

The Belgian government has implemented DAC2 and the Common Reporting Standard, per the Law of 16 December 2015 regarding the exchange of information on financial accounts by Belgian financial institutions and by the Belgian tax administration, in the context of an automatic exchange of information on an international level and for tax purposes (the "**Law of 16 December 2015**").

As a result of the Law of 16 December 2015, the mandatory automatic exchange of information applies in Belgium (i) as of income year 2016 (first information exchange in 2017) towards the EU Member States (including Austria, irrespective of the fact that the automatic exchange of information by Austria towards other EU Member States is only foreseen as of income year 2017), (ii) as of income year 2014 (first information exchange in 2016) towards the US and (iii), with respect to any other non-EU States that have signed the MCAA, as of income year 2016 (first information exchange in 2017) for a first list of 18 countries, as of income year 2017 (first information exchange in 2018) for a second list of 44 countries and as of income year 2018 (first information exchange in 2019) for another country.

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

BELGIAN TAXATION ON THE NOTES

Payments of interest on the Notes, or profits realised by the Noteholder upon the sale or repayment of the Notes, may be subject to taxation in its home jurisdiction and/or in other jurisdictions in which it is required to pay taxes.

This section provides a general description of the main Belgian tax aspects and consequences of subscribing for, acquiring, holding, redeeming, converting and/or disposing of the Notes. This summary provides general information only and is restricted to the matters of Belgian taxation stated herein. It is intended neither as tax advice nor as a comprehensive description of all Belgian tax aspects and consequences associated with or resulting from any of the above-mentioned transactions. Prospective acquirers are urged to consult their own tax advisors concerning the detailed and overall tax consequences of subscribing for, acquiring, holding, redeeming, converting and/or disposing of the Notes.

The summary provided below is based on the information provided in this Base Prospectus and on Belgium's tax laws, regulations, resolutions and other public rules with legal effect, and the interpretation thereof under published case law, all as in effect on the date of this Base Prospectus and with the exception of subsequent amendments with retroactive effect. It is subject to any change in law that may take effect after such date. Investors should appreciate that, as a result of changing law or practice, the tax consequences may be otherwise than as stated below.

Prospective holders of the Notes are urged to consult their own professional advisers with respect to the tax consequences of an investment in the Notes, taking into account their own particular circumstances and the possible impact of any regional, local or national laws.

General Rule

For the purpose of the below summary, a Belgian resident is (i) an individual subject to Belgian personal income tax (i.e., an individual who has his domicile in Belgium or has his seat of wealth in Belgium, or a person assimilated to a Belgian resident), (ii) a legal entity subject to Belgian corporate income tax (i.e. a company that has its registered office, its main establishment, its administrative seat or its seat of management in Belgium), an Organisation for Financing Pensions subject to Belgian corporate income tax (i.e., a Belgian pensions fund incorporated under the form of an Organisation for Financing Pensions), or (iii) a legal entity subject to Belgian legal entities tax (i.e. an entity other than a legal entity subject to corporate income tax having its registered office, its main establishment, its administrative seat or its seat of management in Belgium).

A non-resident is any person or entity that is not a Belgian resident.

For Belgian income tax purposes, an "interest payment" includes (i) periodic interest income, (ii) any amounts paid by the Issuer in excess of the issue price (upon full or partial redemption whether or not at maturity, or upon purchase by the Issuer), (iii) if the Notes qualify as "fixed income securities" (in the meaning of article 2, §1, 8° of the Belgian Income Tax Code 1992) in case of a realisation of the Notes between two interest payment dates to any third party, excluding the Issuer, the pro rata of accrued interest corresponding to the detention period. "Fixed income securities" are defined as bonds, specific debt certificates issued by banks (*bon de caisse/ kasbon*) and other similar securities, including securities where

income is capitalised or securities which do not generate a periodic payment of income but are issued with a discount corresponding to the capitalised interest up to the maturity date of the security.

Belgian Tax in respect of the Notes

Belgian withholding tax

Interest payments on the Notes by or on behalf of the Issuer will, as a rule, be subject to Belgian withholding tax on the gross amount of the interest, currently at the rate of 30 per cent. Tax treaties may provide for a lower rate subject to certain conditions.

However, the holding of the Notes in the Securities Settlement System permits investors to collect payments of interest and principal on their Notes free of Belgian withholding tax if and as long as at the moment of payment or attribution of interest the Notes are held by certain investors (the "**Eligible Investors**", see below) in an exempt securities account ("**X-Account**") that has been opened with a financial institution that is a direct or indirect participant in the Securities Settlement System (a "**Participant**"). Euroclear (in its capacity as a settlement system), Clearstream, INTERBOLSA, SIX SIS and Monte Titoli are directly or indirectly Participants for this purpose.

Holding the Notes through the Securities Settlement System enables Eligible Investors to receive the gross interest income on their Notes and to transfer the Notes on a gross basis.

Participants to the Securities Settlement System must keep the Notes which they hold on behalf of Eligible Investors on an X-Account, and those which they hold on behalf of non-Eligible Investors in a non-exempt securities account ("**N-Account**"). Payments of interest made through X-Accounts are free of withholding tax; payments of interest made through N-Accounts are subject to withholding tax, currently at a rate of 30 per cent., which is withheld from the interest payment and paid by the NBB to the tax authorities.

"**Eligible Investors**" are those persons or entities referred to in Article 4 of the *Arrêté Royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier/Koninklijk Besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing* (Royal Decree of 26 May 1994 on the deduction and indemnification of withholding tax) which include, inter alios:

(a) Belgian resident corporations subject to Belgian corporate income tax within the meaning of Article 2, §1, 5°, b) of the Income Tax Code 1992 ("**ITC 1992***"*);

(b) without prejudice to Article 262, 1° and 5° of ITC 1992, institutions, associations and companies provided for in Article 2, §3 of the Belgian law of 9 July 1975 on the control of insurance companies (other than those referred to in (a) and (c));

(c) semi-governmental institutions (*parastatalen/institutions parastatales*) for social security, or institutions assimilated therewith, provided for in Article 105, 2º of the Royal Decree of 27 August 1993 implementing ITC 1992;

(d) non-resident investors provided for in Article 105, 5º of the same decree whose holding of the Notes is not connected to a professional activity in Belgium;

(e) investment funds provided for in Article 115 of the same decree;

(f) companies, associations and other tax payers provided for in article 227, 2º of ITC 1992, which have used the income generating capital for the exercise of their professional activities in Belgium and which are subject to non-resident income tax in Belgium pursuant to Article 233 ITC 1992;

(g) the Belgian State with respect to its investments which are exempt from withholding tax in accordance with Article 265 of ITC 1992;

(h) investment funds governed by foreign law (such as *beleggingsfondsen/fonds de placement*) which are an undivided estate managed by a management company for the account of the participants, when their units are not publicly issued in Belgium and are not traded in Belgium; and

(i) Belgian resident companies, not provided for under (a), whose sole or principal activity consists in the granting of credits and loans.

Eligible Investors do not include, *inter alios*, Belgian resident investors who are individuals or non-profit organisations, other than those referred to under (b) and (c) above.

Transfers of Notes between an X-Account and an N-Account in the Securities Settlement System give rise to certain adjustment payments on account of withholding tax:

- A transfer from an N-Account (to an X-Account or N-Account) gives rise to the payment by the transferring non-Eligible Investor to the NBB of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.
- A transfer from an X-Account or N-Account to an N-Account gives rise to the refund by the NBB to the transferee non-Eligible Investor of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.
- Transfers of Notes between two X-Accounts do not give rise to any adjustment on account of withholding tax.

Upon opening an X-Account for the holding of Notes with the Securities Settlement System or a Securities Settlement System Participant, an Eligible Investor is required to certify its eligible status on a standard form claimed by the Belgian Minister of Finance and send it to the Participant in the Securities Settlement System where this account is kept. There are no ongoing certification requirements for Eligible Investors save that they need to inform the Participants of any change of the information contained in the statement of its eligible status. However, Participants are required to annually make declarations to the NBB as to the eligible status of each investor for whom they hold Notes in an X-Account during the preceding calendar year.

An X-Account may be opened with a Participant by an intermediary (an "**Intermediary**") in respect of Notes that the Intermediary holds for the account of its clients (the "**Beneficial Owners**"), provided that each Beneficial Owner is an Eligible Investor. In such a case, the Intermediary must deliver to the Participant a statement on a form approved by the Minister of Finance confirming that (i) the Intermediary is itself an Eligible Investor and (ii) the Beneficial Owners holding their Notes through it are also Eligible Investors. A Beneficial Owner is also required to deliver a statement of its eligible status to the Intermediary.

These identification requirements do not apply to central securities depositories, as defined by Article 2, §1, (1) of Regulation (EU) No. 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directive 98/26/EC and 2014/65/EU and Regulation (EU) No. 236/2012, acting as Participants to the Securities Settlement System, provided that (i) they only hold X-Accounts, (ii) they are able to identify the holders for whom they hold Notes on such account and (iii) the contractual rules agreed upon by these central securities depositories acting as Participants include the contractual undertaking that their client and account owners are all Eligible Investors.

Hence, these identification requirements do not apply to Notes held in Euroclear (in its capacity as a settlement system), Clearstream, INTERBOLSA, SIX SIS and Monte Titoli, any sub-participants outside of Belgium, or any other central securities depository as Participants to the Securities Settlement System, provided that (i) they only hold X-Accounts, (ii) they are able to identify the holders for whom they hold Notes in such account and (iii) the contractual rules agreed upon by these central securities depositories include the contractual undertaking that their clients and account owners are all Eligible Investors. The Eligible Investors will need to confirm their status as Eligble Investors in the account agreement to be concluded with Euroclear Bank (in its capacity as clearing system), Clearstream, INTERBOLSA, SIX SIS and Monte Titoli, any sub-participants outside of Belgium, or any other central securities depository as Participants to the Securities Settlement System,

Belgian income tax and capital gains

Belgian resident individuals

For natural persons who are Belgian residents for tax purposes, i.e. who are subject to the Belgian personal income tax (*Personenbelasting/Impot des personnes physiques*) and who hold the Notes as a private investment, payment of the 30 per cent. Belgian withholding tax fully discharges them from their personal income tax liability with respect to these interest payments (*bevrijdende roerende voorheffing/precompute mobilier liberatoire*). This means that they do not have to declare the interest obtained on the Notes in their personal income tax return, provided that the withholding tax of 30 per cent. was levied on these interest payments.

Belgian resident individuals may nevertheless elect to declare the interest payment (as defined above in the Section "*General Rule*") in their personal income tax return. Where the beneficiary opts to declare them, interest payments will normally be taxed at the interest withholding tax rate of 30 per cent. or at the progressive personal tax rate taking into account the taxpayer's other declared income, which is lower. No local surcharges will be due. If the interest payment is declared, the Belgian withholding tax retained is credited in accordance with the applicable legal provisions.

Capital gains realised on the transfer of the Notes are in principle tax exempt, unless the capital gains are realised outside the scope of the normal management of one's private estate (in which case the capital gain will be taxed at 33 per cent. plus local municipality surcharge) or unless the capital gains qualify as interest (as defined above in the section "*General Rule"*). Capital losses are in principle not tax deductible.

Other tax rules apply to Belgian resident individuals who do no hold the Notes as a private investment.

Belgian resident corporations

Corporate Noteholders who are Belgian residents for tax purposes, i.e. who are subject to the Belgian Corporate Income Tax (*impôt des sociétés/vennootschapsbelasting*) are subject to the following tax treatment in Belgium with respect to the Notes.

Interest on the Notes received by a Noteholder subject to Belgian corporate income tax (*impôt des sociétés/vennootschapsbelasting*) (i.e. a company having its registered seat, principal establishment or seat of management or administration in Belgium) is subject to ordinary corporation tax at the current rate of 29.58 per cent. (*i.e.*, the standard rate of 29 per cent. increased by the crisis surcharge of 2 per cent. of the corporation tax due). Subject to certain conditions, a reduced corporate income tax rate of 20.4 per cent. (including the 2 per cent. crisis surcharge) applies for small sized enterprises (as defined by Article 15, §1 to §6 of the Belgian Companies Code (or, as soon as applicable, Article 1:24, §1 to §6 of the New Company Code)) on the first EUR 100,000 of taxable profits. As of assessment year 2021 linked to a taxable period starting at the earliest on 1 January 2020, the ordinary corporate income tax rate will be 25 per cent., and the reduced corporate income tax rate applicable to small sized companies will be 20 per cent.

Any capital gains realised on the Notes will be subject to the same corporate tax rate. Any capital losses realised on the Notes are in principle tax deductible.

Any Belgian withholding tax that has been levied is in principle creditable against any corporate income tax due and any excess amount will in principle be refundable, all in accordance with the applicable legal provisions.

Other tax rules apply to investment companies within the meaning of Article 185bis of the Belgian Income Tax Code 1992.

Belgian resident legal entities

Belgian resident entities subject to the legal entities tax (*impôt des personnes morales/rechtspersonenbelasting*) (i.e. an entity other than a company subject to corporate income tax having its registered seat, principal establishment or seat of management or administration in Belgium) receiving interest payments on the Notes will not be subject to any further taxation on interest in respect of the Notes over and above the withholding tax of 30 per cent.. Some Belgian legal entities which qualify as Eligible Investors and which consequently have received gross interest income, are required to declare and pay the 30 per cent. withholding tax to the Belgian tax authorities themselves (which withholding tax then generally also constitutes the final taxation in the hands of the relevant investors).

Any capital gains (over and above the *pro rata* interest, as defined above in the Section "*General Rule*" included in a capital gain on the Notes) realised on the Notes will be exempt from the legal entities tax. Capital losses incurred are in principle not tax deductible.

Organisation for Financing Pensions

Interest and capital gains derived by Organisations for Financing Pensions as defined pursuant to Law of 27 October 2006 on the activities and supervision of institutions for occupational retirement provision, are in principle exempt from Belgian corporate income tax. Capital losses realised are in principle not tax

deductible. Subject to certain conditions, any Belgian withholding tax that has been levied can be credited against any corporate income tax due and any excess amount is in principle refundable.

Non-residents of Belgium

Noteholders who are not residents of Belgium for Belgian tax purposes and are not holding the Notes through a Belgian establishment and do not invest the Notes in the course of their Belgian professional activity will not incur or become liable for any Belgian tax on income or capital gains or other like taxes by reason only of the acquisition, ownership or disposal of the Notes provided that they qualify as Eligible Investors and rightfully hold their Notes in an X-Account.

If the Notes are not entered into an X-Account by the Eligible Investor, withholding tax on the interest is in principle applicable at the current rate of 30 per cent., possibly reduced pursuant to a tax treaty, on the gross amount of the interest.

Pursuant to the law of 16 December 2015 implementing into Belgian national law the provisions of the Directive 2014/107/EU on administrative cooperation in direct taxation (see the sections "*Common Reporting Standard"* and *"Exchange of Information*"), Belgian financial institutions are required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities with fiscal residence in another EU Member State.

In addition to the aforementioned Belgian withholding tax of 30 per cent., profits derived from the Notes may therefore be subject to a system of automatic exchange of information between the relevant tax authorities.

Tax on stock exchange transactions

The purchase and sale (and any other transaction for consideration) of existing Notes on the secondary market either entered into or carried out in Belgium through a professional intermediary will trigger a tax on stock exchange transactions of 0.12 per cent. with a maximum of EUR 1,300 per party and per transaction. The tax is due separately from each party to any such transaction, i.e. the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary. No tax will be due on the issuance of the Notes in the primary market.

Following the law of 25 December 2016 (*loi-programme du 25 décembre 2016/programmawet van 25 december 2016*), the scope of application of the tax on stock exchange transactions has been extended as from 1 January 2017 in the sense that as from that date, transactions that are entered into or carried out by an intermediary that is not established in Belgium are considered to be entered into or carried out in Belgium if the order to execute the transaction is directly or indirectly given by (i) either a natural person that has its habitual residence in Belgium or (ii) a legal entity for the account of its registered office or establishment in Belgium (both referred to as "**Belgian Investor**"). In such a scenario, the tax on stock exchange transactions is due from the Belgian Investor (who will be responsible for the filing of a stock exchange tax return and for the timely payment of the amount of stock exchange tax due), unless the Belgian Investor can demonstrate that the tax on stock exchange transactions due has already been paid by the professional intermediary established outside Belgium. In such a case, the foreign professional intermediary also has to provide each

client (which gives such intermediary an order) with a qualifying order statement (*bordereau/borderel*), at the latest on the business day after the day the transaction concerned was realised. The qualifying order statement must be numbered in series and a duplicate must be retained by the financial intermediary. The duplicate can be replaced by a qualifying day-to-day listing, numbered in series. Alternatively, professional intermediaries established outside Belgium could appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities ("**Stock Exchange Tax Representative**"). Such Stock Exchange Tax Representative will then be liable toward the Belgian Treasury for the tax on stock exchange transactions due and for complying with the reporting obligations and the obligations relating to the order statement (*bordereau/borderel*) in that respect. If such a Stock Exchange Tax Representative would have paid the tax on stock exchange transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the tax on stock exchange transactions.

A request for annulment has been introduced with the Constitutional Court in order to annul the application of the tax on stock exchange transactions to transactions carried out with professional intermediaries established outside of Belgium (as described above). The Constitutional Court has asked a preliminary question in that regard to the Court of Justice of the European Union. If the Constitutional Court were to annul said application of the tax on stock exchange, restitution of the tax already paid could possibly be claimed.

The *taxes sur les opérations de reports*/*reportverrichtingen* at a rate of 0.085 per cent. will be due from each party to any such transactions entered into or settled in Belgium in which a stockbroker acts for either party, with a maximum of EUR 1,300 per party and per transaction.

However, neither of the taxes referred to above will be payable by exempt persons acting for their own account including investors who are not Belgian residents provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status and certain Belgian institutional investors as defined respectively in Article 126.1 2° or Article 139 of the Code of miscellaneous taxes and duties (*Code des droits et taxes divers/Wetboek diverse rechten en taksen).*

As stated below, the EU Commission adopted on 14 February 2013 the Draft Directive on a FTT. The Draft Directive currently stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force. The Draft Directive is still subject to negotiation between the Participating Member States and therefore may be changed at any time. The Draft Directive is further described below (see the section entitled "*The proposed EU Financial Transactions Tax*").

Tax on securities accounts

Pursuant to the law of 7 February 2018 introducing a tax on securities accounts, a tax of 0.15 per cent. is levied on Belgian resident and non-resident individuals on their share in the average value of the qualifying financial instruments (including but not limited to shares, notes and units of undertakings for collective investment) held on one or more securities accounts during a reference period of twelve consecutive months starting on 1 October and ending on 30 September of the subsequent year (the "**Tax on Securities Accounts**").

No Tax on Securities Accounts is due provided the holder's share in the average value of the qualifying financial instruments on those accounts amounts to less than EUR 500,000. If, however, the holder's share in

the average value of the qualifying financial instruments on those accounts amounts to EUR 500,000 or more the Tax on Securities Accounts is due on the entire share of the holder in the average value of the qualifying financial instruments on those accounts (and, hence, not only on the part which exceeds the EUR 500,000 threshold).

Qualifying financial instruments held by non-resident individuals only fall within the scope of the Tax on Securities Accounts provided they are held on securities accounts with a financial intermediary established or located in Belgium. Note that pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the Tax on Securities Accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty protection may, subject to certain conditions, be claimed.

A financial intermediary is defined as (i) a credit institution or a stockbroking firm as defined by Article 1, §2 and §3 of the Law of 25 April 2014 on the status and supervision of credit institutions and investment companies and (ii) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are, pursuant to national law, admitted to hold financial instruments for the account of customers.

The Tax on Securities Accounts is in principle due by the financial intermediary established or located in Belgium if (i) the holder's share in the average value of the qualifying financial instruments held on one or more securities accounts with said intermediary amounts to EUR 500,000 or more or (ii) the holder instructed the financial intermediary to levy the Tax on Securities Accounts due (e.g. in case such holder holds qualifying financial instruments on several securities accounts held with multiple intermediaries of which the average value does not amount to EUR 500,000 or more, but of which the holder's share in the total average value of these accounts amounts to at least EUR 500,000). Otherwise, the Tax on Securities Accounts would have to be declared and would be due by the holder itself, unless the holder provides evidence that the Tax on Securities Accounts has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint a Tax on Securities Accounts representative in Belgium, subject to certain conditions and formalities ("**Tax on Securities Accounts Representative**"). Such a Tax on Securities Accounts Representative will then be liable towards the Belgian Treasury for the Tax on the Securities Accounts due and for complying with certain reporting obligations in that respect.

Belgian resident individuals have to report in their annual income tax return various securities accounts held with one or more financial intermediaries of which they are considered as a holder within the meaning of the Tax on Securities Accounts. Non-resident individuals have to report in their annual Belgian non-resident income tax return various securities accounts held with one or more financial intermediaries established or located in Belgium of which they are considered as a holder within the meaning of the Tax on Securities Accounts.

Several requests for annulment have been introduced with the Constitutional Court in order to annul the Tax on Securities Accounts. If the Constitutional Court were to annul the Tax on Securities Accounts, restitution of the tax already paid could possibly be claimed.

Prospective investors are strongly advised to seek their own professional advice in relation to the tax on securities accounts.

The proposed EU financial transaction tax

On 14 February 2013, the EU Commission adopted a proposal for a directive on a common financial transaction tax (the "**Financial Transaction Tax**" or "**FTT**"). The intention is for the Financial Transaction Tax to be implemented via an enhanced cooperation procedure in 11 participating EU Member States (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Spain, Slovakia and Slovenia). In December 2015, Estonia withdrew from the group of states willing to introduce the FTT (the "**participating Member States**").

The proposed Financial Transaction Tax has a very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt. The Financial Transaction Tax shall not apply to (inter alia) primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006, including the activity of underwriting and subsequent allocation of financial instruments in the framework of their issue.

Under the Commission proposal, the Financial Transaction Tax could apply in certain circumstances to persons both within and outside the participating Member States. Generally, pursuant to the proposed directive, the Financial Transaction Tax will be payable on financial transactions provided that at least one party to the financial transaction is established or deemed established in a participating Member State and there is a financial institution established or deemed established in a participating Member State which is a party to the financial transaction (acting either for its own account or for the account of another person), or is acting in the name of a party to the transaction.

The rates of the Financial Transaction Tax shall be fixed by each participating Member State but for transactions involving financial instruments other than derivatives shall amount to at least 0.1% of the taxable amount. The taxable amount for such transactions shall in general be determined by reference to the consideration paid or owed in return for the transfer, from a counterparty or a third party. The Financial Transaction Tax shall be payable by each financial institution established or deemed established in a participating Member State if it is either a party to the financial transaction (acting either for its own account or for the account of another person), or acting in the name of a party to the transaction or if the transaction has been carried out on its account. Where the Financial Transaction Tax due has not been paid within the applicable time limits, each party to a financial transaction, including persons other than financial institutions, shall become jointly and severally liable for the payment of the Financial Transaction Tax due.

Investors should therefore note, in particular, that any sale, purchase or exchange of Notes may be subject to the Financial Transaction Tax at a minimum rate of 0.1% provided the abovementioned prerequisites are met. The investor may be liable to pay this charge or reimburse a financial institution for the charge, and/or the charge may affect the value of the Notes.

Joint statements issued by the participating Member States indicate an intention to implement the Financial Transaction Tax progressively, such that it would initially apply to shares and certain derivatives. The Financial Transaction Tax, as initially implemented on this basis, may therefore not apply to dealings in the Notes. However, the Financial Transaction Tax proposal remains subject to negotiation between the participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate. The proposed Financial Transaction Tax may still be abandoned or repealed.

Participating Member States indicated on 7 May 2019 that they are discussing about an option of an FTT based on the French model of the tax and about the possible mutualisation of the revenues among the participating Member States as a contribution to the EU budget. In the light of the foregoing, further work of the Council and its preparatory bodies will be required, before a final agreement on this dossier can be reached.

Investors should consult their own tax advisors in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposal of the Notes.

U.S. withholding tax under FATCA

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Belgium) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies to their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respects to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register. Holders of the Notes should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

Belgium has implemented FATCA in its domestic legislation by a law of 16 December 2015 ("*Wet tot regeling van de mededeling van inlichtingen betreffende financiële rekeningen, door de Belgische financiële instellingen en de FOD Financiën in het kader van automatische uitwisseling van inlichtingen op internationaal niveau en voor belastingdoeleinden*"). Under this law, Belgian financial institutions holding Notes for "US accountholders" and for "Non-US owned passive Non-Financial Foreign entities" are held to report financial information regarding the Notes (for example, income and gross proceeds) to the Belgian competent authority, who shall communicate the information to the US tax authorities.

SUBSCRIPTION AND SALE

Pursuant to a Dealer Agreement originally dated 25 June 2018 and as amended and restated on 13 September 2019 (the "**Dealer Agreement**") between the Issuer, the Dealers and the Arranger and subject to the conditions contained therein, the Dealers have agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission in respect of Notes subscribed by them. The Issuer has agreed to reimburse the Arranger for certain of its expenses incurred in connection with the update of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities relating to any misrepresentation or breach of any of the representations, warranties or agreements of the Issuer in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe for Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business, including making loans to the Issuer and its affiliates. Such loans may be repaid using the proceeds from issues of Notes. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. If any of the Dealers or their affiliates has a lending relationship with the Issuer, certain of the Dealers or their affiliates routinely hedge, and certain other of those Dealers or their affiliates may hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

J.P. Morgan Securities plc and Société Générale, and certain of their respective affiliates, are shareholders in Euroclear Holding SA / NV, have each appointed a director of Euroclear Holding SA / NV and are clients of the Issuer. The same may be true of any other Dealer under the Programme.

United States

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or any U.S. state securities laws and, unless so registered, the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state

securities laws. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, except as permitted by the Dealer Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuer, by the Fiscal Agent, or, in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

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

Prohibition of sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

  (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

  (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

  (iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Prohibition of sales to consumers in Belgium

The Notes are not intended to be offered, sold or otherwise made available, and will not be offered, sold or otherwise made available, in Belgium to "consumers" (*consommateurs/consumenten*) within the meaning of the Belgian Code of Economic Law (*Code de droit économique/Wetboek van economisch recht*), as amended.

Prohibition of sales to investors holding securities in non-exempt accounts

In respect of Notes which use SONIA or SOFR as a Reference Rate, each Dealer represents and warrants that it has not offered, sold or delivered and will not on or prior to each Issue Date offer, sell or deliver Notes to any investor other than an investor holding their securities in an X-Account that has been opened with a financial institution that is a direct or indirect participant in the Securities Settlement System.

Public Offer Selling Restriction under the Prospectus Regulation

If the Final Terms in respect of any Notes specify "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the relevant Final Terms in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

United Kingdom

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

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA 2000) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA 2000 would not, if the Issuer was not an authorised person, apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA 2000 with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Belgium

Any offering of the Notes will be exclusively conducted under applicable private placement exemptions and the restrictions described in this section (*Subscription and Sale*) will apply.

Neither the Base Prospectus nor any other offering material related to the Notes will have been or will be notified to, and neither the Base Prospectus nor any other offering material related to the Notes will have been or will be approved or reviewed by, the Belgian Financial Services and Markets Authority (the "*Autoriteit voor Financiële Diensten en Markten*"/ "*Autorité des Services et Marchés Financiers*", "**FSMA**"). The FSMA has not commented as to the accuracy or adequacy of any such material or recommended the purchase of the Notes nor will the FSMA so comment or recommend. Any representation to the contrary is unlawful.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each of the Dealers and Euroclear Bank has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or 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 Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

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

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP 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).

General

These selling restrictions may be modified by the agreement of Euroclear Bank and the Dealers. Any such modification will be set out in a supplement to this Base Prospectus.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has severally but not jointly agreed that it shall, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Base Prospectus or any Final Terms in all cases at its own expense.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

[MiFID II PRODUCT GOVERNANCE – Solely for the purposes of the product approval process of each Manufacturer (i.e. each person deemed a manufacturer for purposes of the EU Delegated Directive 2017/593, hereinafter referred to as a Manufacturer), the target market assessment in respect of the Notes as of the date hereof 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"); (ii) all channels for distribution of the Notes 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.] Any person subsequently offering, selling or recommending the Notes (a "Distributor") should take into consideration each Manufacturer's target market assessment. A distributor subject to MiFID II is, however, responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining a Manufacturer's target market assessment) and determining appropriate distribution channels.]

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

[In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [prescribed capital markets products] / [capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [are] [Excluded] / [Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products).][1]

PROHIBITION OF SALES TO CONSUMERS – The Notes are not intended to be offered, sold or otherwise made available, and will not be offered, sold or otherwise made available, in Belgium to "consumers" (*consommateurs/consumenten*) within the meaning of the Belgian Code of Economic Law (*Code de droit économique/Wetboek van economisch recht*), as amended.

Final Terms dated [●]

Euroclear Bank SA/NV

[1] For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

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

under the EUR 5,000,000,000
Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

[[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Base Prospectus dated [•] 2019 [and the Base Prospectus Supplement[s] dated [•]] which [together] constitute[s] a base prospectus for the purposes of the Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with such Base Prospectus [as so supplemented] in order to obtain all the relevant information][2].

The Base Prospectus dated [•] 2019 [and the Base Prospectus Supplement[s] dated [•]] [has] have] been published on the website of [the Irish Stock Exchange plc trading as Euronext Dublin at www.ise.ie].]

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under a base prospectus with an earlier date*]

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Base Prospectus dated [*original date*] [and the Base Prospectus Supplement[s] dated [•]]. This document constitutes the Final Terms of the Notes described herein for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and must be read in conjunction with the Base Prospectus dated [•] 2019 [and the Base Prospectus Supplement[s] dated [•]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation in order to obtain all the relevant information, save in respect of the Terms and Conditions which are extracted from the Base Prospectus dated [*original date*] [and the supplement(s) to it dated [•]].

The Base Prospectus dated [•] 2019 [and the Base Prospectus Supplement[s] dated [•]] [has] [have] been published on the website of [the Irish Stock Exchange plc trading as Euronext Dublin at www.ise.ie]. The Base Prospectus [and the supplement(s) to the Base Prospectus] [is] [are] available for inspection during normal business hours at the office of the Fiscal Agent [and the office of the Issuer].]

(Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.)

1	(I)	Series Number:	[ ]
	[(II)	Tranche Number:	[ ]]
			(delete if not applicable)

[2] When drafting Final Terms in relation to an issue of Notes to be listed on a non-regulated market, Prospectus Regulation references should be removed.

	(III)	Date on which 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 [*insert description of Series*] (ISIN: [ ]) on [[ ]] / [the Issue Date]/[with effect from the date that is 40 days following the Issue Date]]
2	Specified Currency or Currencies:		[ ]
3	Aggregate Nominal Amount:		[ ]
	[(I)]	Series:	[ ]
	[(II)	Tranche:	[ ]] *(delete if not applicable)*
4	Issue Price:		[ ]% of the Aggregate Nominal Amount [plus accrued interest from [ ] (*insert if Notes are fungible with a previous issue*)]
5	(I)	Specified Denomination(s):	[ ] [and integral multiples of [ ] in excess thereof up to and including [•]]. *(Note: No Notes may be issued which have a minimum denomination of less than EUR 100,000* (*or nearly equivalent amount in other currencies.*))
	(II)	Calculation Amount:	[ ]
6	(I)	Issue Date:	[ ]
	(II)	Interest Commencement Date:	[ ] / [Issue Date] / [Not Applicable]
7	Maturity Date[3]:		[Fixed maturity date: [ ] / [Interest Payment Date falling on or nearest to [ ] (*specify in this format for Floating Rate*)]] / [No fixed maturity date: perpetual]
8	Interest Basis:		[Not Applicable. The Notes do not bear any interest] [[ ]% Fixed Rate (Further particulars specified in Paragraph 14 of Part A of the Final Terms below)] [[*SOFR*/*SONIA/EURIBOR/LIBOR*] [+/- [*Margin*]] Floating Rate, Further particulars specified below] [Zero Coupon] [Resettable Note (Further particulars specified in Paragraph 15 of Part A of the Final Terms below)] *(include all which are relevant)*
9	Redemption/Payment Basis:		[Par Redemption] / [Specified Redemption Amount].
10	Change of Interest Basis:		[Applicable. Notes are [Fixed to Floating Rate Notes / Floating to Fixed Rate Notes]] / [Not Applicable]
11	Put/Call Options:		
	(I)	Call Option: (Condition 3(c))	[Applicable. Further details specified in Paragraph 18 of Part A of the Final Terms below] / [Not Applicable].

[3] For Senior Non-Preferred Notes, the Maturity Date must be no less than one year from the date of issue of such Senior Non-Preferred Notes.

	(II)	Put Option: (Condition 3(d))	[Applicable. Further details specified in Paragraph 19 of Part A of the Final Terms below] / [Not Applicable].
12	(I)	Status of the Notes:	[Senior Preferred] / [Senior Non-Preferred] Notes
	(II)	Senior Non-Preferred Notes:	[Applicable] / [Not Applicable] *(if not applicable, delete the sub-paragraphs under this paragraph)*
		• Redemption of Senior Non-Preferred Notes upon the occurrence of a MREL Disqualification Event (Condition 3(f))	[Applicable. Further details specified in Paragraph 22 of Part A of the Final Terms below] / [Not Applicable]
		• Substitution and Variation (Condition 6(c))	[Applicable] / [Not Applicable]
	(III)	Senior Preferred Notes:	[Applicable] / [Not Applicable] *(if not applicable, delete the sub-paragraphs under this paragraph)*
		• Senior Preferred Notes Restricted Gross Up (Condition 5)	[Applicable] / [Not Applicable]
		• Waiver of Set-Off (Condition 6(b)(B))	[Applicable] / [Not Applicable]
	(IV)	Date of any additional [Board] approval for issuance of Notes obtained:	[ ] [and [ ], respectively]] / [Not Applicable] *(specify if Notes require separate / new authorisation. Otherwise specify "Not Applicable")*
13	Method of distribution:		[Syndicated][Non-syndicated]

Provisions Relating to Interest (if any) Payable

14	Fixed Rate Note Provisions		[Applicable] / [Applicable for the Interest Periods specified below] / [Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(I)	Interest Periods to which Fixed Rate Note Provisions are applicable:	[All] / [Notes are Fixed to Floating Rate Notes, and Fixed Rate Note Provisions shall apply for the following Interest Periods: From and including [the Interest Commencement Date] to but excluding [ ][, from and including [ ] to but excluding [ ]…. and from and including [ ] to but excluding [ ]] / [Notes are Floating to Fixed Rate Notes, and Fixed Rate Note Provisions shall apply for the following Interest Periods: From and including [ ] to but excluding [ ][, from and including [ ] to but excluding [ ]

			and from and including [ ] to but excluding [ ]]. *(delete as appropriate)*
	(II)	Rate[(s)] of Interest:	[ ]% per annum [payable [annually/semi-annually/quarterly/monthly] in arrear] [for the period from [ ] to [ ]… and [ ]% per annum [payable [annually/semi-annually/quarterly/monthly] in arrear] for the period from [ ] to [ ]]
	(III)	Interest Payment Date(s):	[Each [ ] and [ ], from and including [ ] up to and including [ ]] / [[*date*][, [*date*]…. and [*date*]] [Subject to adjustment in accordance with the Business Day Convention.]
	(IV)	Interest Period Dates	[Each [ ] and [ ], from and including [ ] up to and including [ ]] / [[*date*][, [*date*]…. and [*date*]] [Subject to adjustment in accordance with the Business Day Convention.] / [Not subject to adjustment in accordance with the Business Day Convention.]
	(V)	Business Day Convention:	[Following Business Day Convention]
	(VI)	Fixed Coupon Amount[(s)]:	[[ ] per Calculation Amount] / [Not Applicable]
	(VII)	Broken Amount[(s)]:	[[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]] / [Not Applicable]
	(VIII)	Day Count Fraction:	[Actual/Actual][Actual/Actual-ISDA]/[Actual/365(fixed)][Actual/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)]/[Actual/ Actual (ICMA)]
	(IX)	Determination Dates:	[[ ] in each year][Not Applicable]
15	**Resettable Note Provisions**		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(I)	Initial Rate of Interest:	[ ]% per annum payable in arrear on each Resettable Note Interest Payment Date
	(II)	Reset Rate of Interest:	[Mid-Swap Rate][Benchmark Gilt Rate][CMT Rate]
	(III)	CMT Rate Screen Page:	[ ] / [Not Applicable]
	(IV)	Resettable Note Interest Payment Date(s):	[Each [ ] and [ ], from and including [ ] up to and including [ ]] / [[*date*][, [*date*]…. and [*date*]] [Subject to adjustment in accordance with the Business Day Convention.]
	(V)	Interest Period Date(s):	[Each [ ] and [ ], from and including [ ] up to and including [ ]] / [[*date*][, [*date*]…. and [*date*]] [Subject to adjustment in accordance with the Business Day Convention.] / [Not subject to adjustment in accordance with the Business Day Convention.]
	(VI)	Business Day Convention:	[Following Business Day Convention]
	(VII)	Benchmark Frequency:	[ ] / [Not Applicable]

	(VIII) First Margin:	[+/-] [ ]% per annum
	(IX) Subsequent Margin:	[+/-] [ ]% per annum
	(X) Day Count Fraction:	[Actual/Actual] [Actual/Actual-ISDA] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual-ICMA]
	(XI) Determination Dates	[ ]
	(XII) First Resettable Note Reset Date:	[ ]
	(XIII) Second Resettable Note Reset Date:	[ ]
	(XIV) Subsequent Resettable Note Reset Date[s]:	[[ ], [ ], [ ]] / [Not Applicable]
	(XV) Reset Determination Date[s]:	[[ ], [ ], [ ]] / [Not Applicable]
	(XVI) Relevant Screen Page:	[[ ], [ ], [ ]] / [Not Applicable]
	(XVII)Mid-Swap Rate:	[Single Mid-Swap Rate] [Mean Mid-Swap Rate]
	(XVIII)Mid-Swap Maturity:	[ ] / [Not Applicable]
	(XIX) CMT Designated Maturity:	[ ] / [Not Applicable]
	(XX) Initial Mid-Swap Rate Final Fallback:	[Applicable] / [Not Applicable]
	(XXI) First Reset Period Fallback:	[ ] / [Not Applicable]
	(XXII) Reset Period Maturity Initial Mid-Swap Rate Final Fallback:	[Applicable] / [Not Applicable]
	(XXIII)Last Observable Mid-Swap Rate Final Fallback:	[Applicable] / [Not Applicable]
	(XXIV)Subsequent Reset Rate Mid-Swap Rate Final Fallback:	[Applicable] / [Not Applicable]
	(XXV)Subsequent Reset Rate Last Observable Mid-Swap Rate Final Fallback:	[Applicable] / [Not Applicable]
16	**Floating Rate Note Provisions**	[Applicable. The Notes are [Floating Rate Notes] / [Applicable for the Interest Periods specified below] / [Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(I) Interest Periods to which Floating Rate Note Provisions are applicable:	[All] / [Notes are Floating to Fixed Rate Notes, and Floating Rate Note Provisions shall apply for the following Interest Periods: From and including [the Interest Commencement Date] to but excluding [ ][, from and including [ ] to but excluding [ ]…. and from and including [ ] to but excluding [ ]] / [Notes are Fixed to Floating Rate Notes, and Floating Rate Note Provisions shall apply for the

		following Interest Periods: From and including [ ] to but excluding [ ][, from and including [ ] to but excluding [ ]…. and from and including [ ] to but excluding [ ]]. *(delete as appropriate)*
(II)	Specified Interest Payment Dates:	Each [ ] and [ ], from and including [ ] up to and including [ ][, subject to adjustment in accordance with the Business Day Convention] / Not subject to any adjustment as the Business Day Convention in (IV) below is specified as Not Applicable
(III)	Interest Period Dates:	[Not Applicable] / [Each [ ] and [ ], from and including [ ] up to and including [ ]]
(IV)	Business Day Convention:	[Following Business Day Convention] / [Not Applicable] (*delete as appropriate*)
(V)	Reference Banks:	[ ]
(VI)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination] / [ISDA Determination]
(VII)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s):	[Calculation Agent][*name*]
(VIII)	Screen Rate Determination:	[Applicable – Term Rate] / [Applicable – Overnight Rate] / [Not Applicable] (*if Not applicable, delete the sub-paragraphs under this paragraph*)
	– Calculation Method:	[Weighted Average] / [Compounded Daily]
	– Reference Rate:	[ ] / [LIBOR/EURIBOR/SONIA/SOFR]
	– Interest Determination Date(s):	[[*date*][, [*date*]…. and [*date*]] / [[ ] Banking Day[s] prior to the end of each Interest Accrual Period] / [As specified in Condition 2(m)(I)]
	– Relevant Screen Page:	[ ]
	– Relevant Time:	[ ]
	– Margin:	[Not Applicable] / [[+/-][ ]% per annum[in respect of Interest Period from and including [the Interest Commencement Date] to but excluding [ ][, [[+/-][ ]% per annum from and including [ ] to but excluding [ ]…. and [[+/-][ ]% per annum from and including [ ] to but excluding [ ]]
	– Observation Method:	[Lag] / [Lock-out]
	– Observation Look-back Period:	[ ] / [Not Applicable]
	– D:	[365] / [360] / [ ]
(IX)	ISDA Determination:	[Applicable] / [Not Applicable]

(*if Not applicable, delete the sub-paragraphs under this paragraph*)

	– Floating Rate Option:	[ ]
	– Designated Maturity:	[ ]
	– Reset Date:	[*date*][, [*date*]…. and [*date*]
	– Margin:	[Not Applicable] / [[+/-][ ]% per annum[in respect of Interest Period from and including [the Interest Commencement Date] to but excluding [ ][, [[+/-][ ]% per annum from and including [ ] to but excluding [ ]…. and [[+/-][ ]% per annum from and including [ ] to but excluding [ ]]
	(X) 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*)]
	(XI) Minimum Rate of Interest:	[ ]% / [Not Applicable]
	(XII) Maximum Rate of Interest:	[ ]% / [Not Applicable]
	(XIII) Day Count Fraction:	[Actual/Actual][Actual/Actual-ISDA]/[Actual/365(fixed)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)]/[Actual/ Actual (ICMA)]
	(XIV) Determination Date	[ ]
17	**Zero Coupon Note Provisions**	[Applicable] / [Not Applicable] (*if not applicable, delete the sub-paragraphs under this paragraph*)
	(I) Amortisation Yield:	[__]% per annum
	(II) Day Count Fraction	[Actual/Actual][Actual/Actual-ISDA]/[Actual/365(fixed)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)]/[Actual/ Actual (ICMA)]
	(III) Determination Date	[ ]
	Provisions Relating to Redemption	
18	**Call Option (Condition 3(c))**	[Applicable]/[Not Applicable] (*if not applicable, delete the sub-paragraphs under this paragraph*)
	(I) Optional Redemption Date(s):	[ ] [Subject to adjustment in accordance with the Business Day Convention.]
	(II) Business Day Convention:	[Following Business Day Convention]
	(III) Redemption Amount (Call) of each Note:	[Specified Redemption Amount] / [Par Redemption]
	(IV) Specified Fixed Percentage Rate:	[[ ]%] / [ ]% in respect of the Optional Redemption Date falling on [ ], [ ]% in respect of the Optional Redemption

			Date falling on [ ] / [Not Applicable]] (*Specify only if "Specified Redemption Amount" is selected. Note: the Specified Fixed Percentage Rate must be at least 100%*)
	(V)	If redeemable in part:	[Applicable]/[Not Applicable]
		(a) Minimum Nominal Redemption Amount:	[ ] / [Not Applicable]
		(b) Maximum Nominal Redemption Amount:	[ ] / [Not Applicable]
	(VI)	Notice period:	[ ]
19	**Put Option (Condition 3(d))**		[Applicable][Not Applicable] (*if not applicable, delete the sub-paragraphs under this paragraph*)
	(I)	Optional Redemption Date(s):	[ ] [Subject to adjustment in accordance with the Business Day Convention.]
	(II)	Business Day Convention:	[Following Business Day Convention]
	(III)	Redemption Amount (Put) of each Note:	[Specified Redemption Amount] / [Par Redemption]
	(IV)	Specified Fixed Percentage Rate:	[[ ]%] / [Not Applicable]] (*Specify only if "Specified Redemption Amount" is selected. Note: the Specified Fixed Percentage Rate must be at least 100%*)
	(V)	Notice period:	[ ]
	(VI)	Address for Notices:	Attn: Banking Department Euroclear Bank SA/NV Boulevard Albert, 1 1210 Saint-Joss-Ten-Noode Brussels Belgium
	(VII)	If redeemable in part:	[Applicable]/[Not Applicable]
		(a) Minimum Nominal Redemption Amount:	[ ] / [Not Applicable]
		(b) Maximum Nominal Redemption Amount:	[ ] / [Not Applicable]
20	**Final Redemption Amount of each Note**		[Specified Redemption Amount] / [Par Redemption]
	(I)	Specified Fixed Percentage Rate:	[[ ]%] / [Not Applicable]] (*Specify only if "Specified Redemption Amount" is selected. Note: the Specified Fixed Percentage Rate must be at least 100%*)

21	**Zero Coupon Note Redemption Amount of each Zero Coupon Note**		[Specified Redemption Amount] / [Par Redemption] / [Amortised Face Amount]
	(I)	Specified Fixed Percentage Rate:	[[ ]%] / [Not Applicable]] (*Specify only if "Specified Redemption Amount" is selected. Note: the Specified Fixed Percentage Rate must be at least 100%*)
22	**Early Redemption**		
	(I)	Tax Event Redemption Amount (Condition 3(e))	[Specified Redemption Amount] / [Par Redemption] / [Amortised Face Amount] / [Not Applicable] (*Note: the Specified Fixed Percentage Rate must be at least 100%*)
		(a) Specified Fixed Percentage Rate:	[[ ]%] / [Not Applicable]] (*Specify only if "Specified Redemption Amount" is selected. Note: the Specified Fixed Percentage Rate must be at least 100%*)
		(b) Amortisation Yield:	[[ ]%] / [Not Applicable]] (*Specify only if "Amortised Face Amount" is selected.*)
		(c) Day Count Fraction:	[Actual/Actual][Actual/Actual-ISDA]/[Actual/365(fixed)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)]/[Actual/ Actual (ICMA)] (*Specify only if "Amortised Face Amount" is selected.*)
	(II)	Redemption upon the occurrence of a Tax Event (Condition 3(e))	Redemption [on any Interest Payment Date] / [on any Resettable Note Interest Payment Date] / [at any time] after the occurrence of a Tax Event which is continuing
	(III)	MREL Disqualification Event Early Redemption Amount (Condition 3(f)):	[Specified Redemption Amount, and the Specified Fixed Percentage Rate is [ ]%] / [Par Redemption] / [Not applicable] *(Note: the Specified Fixed Percentage Rate must be at least 100%)*
	(IV)	Senior Preferred Notes – Restricted Events of Default (Condition 11):	[Applicable] / [Not Applicable]
	(V)	Event of Default Redemption Amount (Condition 11)	[Specified Redemption Amount] / [Par Redemption] / [Amortised Face Amount] (*Note: the Specified Fixed Percentage Rate must be at least 100%*)
		(a) Specified Fixed Percentage Rate:	[[ ]%] / [Not Applicable]] (*Specify only if "Specified Redemption Amount" is selected. Note: the Specified Fixed Percentage Rate must be at least 100%*)
		(b) Amortisation Yield:	[[ ]%] / [Not Applicable]] (*Specify only if "Amortised Face Amount" is selected.*)

	(c) Day Count Fraction:	[Actual/Actual][Actual/Actual-ISDA]/[Actual/365(fixed)][Actual/360][30/360][360/360][Bond Basis][30E/360][Eurobond Basis][30E/360 (ISDA)]/[Actual/ Actual (ICMA)] (*Specify only if "Amortised Face Amount" is selected.*)
23	**Substitution (Condition 7)**	[Applicable] / [Not Applicable]

General Provisions Applicable to the Notes

24	Business Day Jurisdictions for payments	[ ]

Signed on behalf of the Issuer:

By: .....
Duly authorised

PART B – OTHER INFORMATION

1 **LISTING AND ADMISSION TO TRADING**

(i) Admission to trading:	[Application has been made for the Notes to be admitted to trading on [the Regulated Market of [Euronext Dublin]] / [Not Applicable] (*Where documenting a fungible issue need to indicate that the original notes are already admitted to trading*.)
(ii) Earliest day of admission to trading:	[Application has been made for the Notes to be admitted to trading with effect from [ ].] / [On or around [ ].] / [Not Applicable.]
(iii) Estimate of total expenses related to admission to trading:	[ ]

2 **RATINGS**

Ratings:	[The Notes to be issued have been specifically rated: [S & P: [ ]] [Fitch: [ ]] [Other: [ ]] [The Notes to be issued have not been specifically rated, but Notes of the type being issued under the Programme generally have been rated: [S & P: [ ]] [Fitch: [ ]] [Other: [ ]] *Insert one (or more) of the following options, as applicable*:[4] [*[Insert legal name of particular credit rating agency entity providing rating]* is established in the EU and registered under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No 513/2011 (the "**CRA Regulation**").] [*[Insert legal name of particular credit rating agency entity providing rating]* is established in the EU and has applied for registration under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No 513/2011 (the "**CRA Regulation**"), although notification of the registration decision has not yet been provided.] *[Insert legal name of particular credit rating agency entity providing rating]* is established in the EU and is neither registered nor has it applied for registration

[4] A list of registered Credit Rating Agencies is published on the ESMA website (http://www.esma.europa.eu/).

under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No 513/2011 (the "CRA Regulation").

[Insert legal name of particular credit rating agency entity providing rating] is not established in the EU but the rating it has given to the [Notes] is endorsed by [*insert legal name of credit rating agency*], which is established in the EU and registered under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No 513/2011 (the "CRA Regulation").

[*[Insert legal name of particular credit rating agency entity providing rating]* is not established in the EU but is certified under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No 513/2011 (the "CRA Regulation").]

[*[Insert legal name of particular credit rating agency entity providing rating]* is not established in the EU and is not certified under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No 513/2011 (the "**CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EU and registered under the CRA Regulation.]

(Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.)

3 **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

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

4 **REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS**

Reasons for the offer:	[ ] See ["Use of Proceeds" in the Base Prospectus dated [•] 2019.
Estimated net proceeds:	[ ]
5 ***Fixed Rate Notes only* - YIELD**	[Not Applicable] *(if not applicable, delete the sub-paragraph under this paragraph)*
Indication of yield:	[ ]
6 ***Floating Rate Notes only* – Historic Interest Rates**	[Not Applicable] *(if not applicable, delete the sub-paragraph under this paragraph)*

Details of historic [LIBOR][EURIBOR][SONIA][SOFR] rates can be obtained from [*Reuters page]*

7 OPERATIONAL INFORMATION

Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the CSDs as common safekeeper [(and registered in the name of a nominee of one of the CSDs acting as common safekeeper)] [include this text for registered notes] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]/ [No. Whilst the designation is specified as "no" at the date of these Final Terms, 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 CSDs as common safekeeper [(and registered in the name of a nominee of one of the CSDs acting as common safekeeper) [include this text for registered notes]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and 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.]]
Eligible Investors:	[The Notes offered by the Issuer may only be subscribed, purchased or held by investors in an exempt securities account ("X-Account") that has been opened with a financial institution that is a direct or indirect participant in the Securities Settlement System][5] / [The Notes offered by the Issuer may be subscribed, purchased or held by investors in an exempt securities account ("X-Account") or a non-exempt securities account ("N-Account") that has been opened with a financial institution that is a direct or indirect participant in the Securities Settlement System]
ISIN Code:	[ ]
[Temporary ISIN Code:]	[ ]
Common Code:	[ ]

[5] Where Final Terms relate to an issuance where SONIA or SOFR is selected as the Reference Rate, this option must always apply.

[Temporary Common Code:]	[ ]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agent(s) (if any):	[ ]
Name and address of Calculation Agent (if any):	[ ]
[Name and address of the operator of the Alternative Clearing System:]	[ ]
Relevant Benchmark[s]:	[[[LIBOR][EURIBOR][SONIA][SOFR]] is provided by [*administrator legal name*]]. As at the date hereof, [[*administrator legal name*][appears]/[does not appear]] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmark Regulation]/[As far as the Issuer is aware, as at the date hereof, [[LIBOR][EURIBOR][SONIA][SOFR]] does not fall within the scope of the Benchmark Regulation]/[Not Applicable]

8 DISTRIBUTION

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(ii)	If syndicated:	
	(A) Names and addresses of Dealers and underwriting commitments:	[Not Applicable/*give names, addresses and underwriting commitments*]
	(B) Date of [Subscription] Agreement:	[•]
	(C) Stabilisation Manager(s) if any:	[Not Applicable/*give name*]
(iii)	If non-syndicated, name and address of Dealer:	[Not Applicable/*give name and address*]
(iv)	US Selling Restrictions (Categories of potential investors to which the Notes are offered):	[Reg. S Compliance [Category 2]; TEFRA not applicable
(v)	Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable]

GENERAL INFORMATION

Approval

1. This Base Prospectus has been approved by the CBI, as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The CBI only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Notes that are subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes

2. Application has been made to Euronext Dublin for Notes issued under the Programme to be admitted to the Official List and to trading on the Regulated Market. The Regulated Market is a regulated market for the purposes of MiFID II.

3. However, Notes may be issued pursuant to the Programme which will not be admitted to listing on the Official List and admitted to trading and/or quotation by the regulated market of Euronext Dublin or any other listing authority, stock exchange and/or quotation system or which will be admitted to listing, trading and/or quotation by such listing authority, stock exchange and/or quotation system as the Issuer and the relevant Dealer(s) may agree.

Authorisation

4. Euroclear Bank has obtained all necessary consents, approvals and authorisations in Belgium in connection with the issue and performance of the Notes. The update of the Programme by Euroclear Bank was authorised by a resolution of the Board of Directors of Euroclear Bank passed on 6 September 2019.

5. Euroclear Bank is an Authorised European Institution and is included on the Credit Institution Register of the EBA.

Significant/Material Change

6. There has been no material adverse change in the prospects of Euroclear Bank since 31 December 2018. In addition, there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the prospects of Euroclear Bank for the current financial year.

7. There has been no significant change in the financial performance of Euroclear Bank since 31 December 2018.

Legal and Arbitration Proceedings

8. Neither Euroclear Bank nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Euroclear Bank is aware) during the twelve months preceding the date of this Base Prospectus which may have or have had in the recent past significant effects on the financial position or profitability of Euroclear Bank or any of its subsidiaries.

Clearing of the Notes

9. The Notes have been accepted for clearance through the Securities Settlement System operated by the National Bank of Belgium. The Common Code and the International Securities Identification Number (ISIN) (and any other relevant identification number for any Alternative Clearing System) for each Series of Notes will be set out in the applicable Final Terms.

10. As at the date of this Base Prospectus, the address of the National Bank of Belgium (i.e. the operator of the Securities Settlement System) is Boulevard de Berlaimont 14, B-1000 Brussels, Belgium and the address of the operator of any Alternative Clearing System will be specified in the applicable Final Terms.

No material contracts

11. As at the date of this Base Prospectus, there are no material contracts entered into other than in the ordinary course of Euroclear Bank's business, which could result in Euroclear Bank being under an obligation or entitlement that is material to Euroclear Bank's ability to meet its obligations to Noteholders in respect of the Notes being issued.

Issue Price

12. The issue price and the amount of the relevant Notes will be determined before filing of the applicable Final Terms of each Tranche, based on then prevailing market conditions.

Listing Agent

13. Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for Euroclear Bank in connection with the Programme and is not itself seeking admission of Notes issued under the Programme to the Official List or to trading on the Regulated Market for the purposes of the Prospectus Regulation.

Documents on display

14. For the life of this Base Prospectus, copies of the following documents will be available in both electronic and physical format, during normal business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of Euroclear Bank and each Paying Agent:

    (i) the articles of association of Euroclear Bank; and

    (ii) this Base Prospectus and any supplements and each Final Terms.

    A copy of the articles of association of Euroclear Bank will also be available for inspection for the life of this Base Prospectus at https://www.euroclear.com/dam/Brochures/About/Boards%20and%20Committees/EB/Euroclear-Bank-Coordinated-Articles-of-Association-en.pdf. In addition, copies of this Base Prospectus, any supplement to this Base Prospectus and Final Terms (i.e. the documents listed at (ii) above) relating to Notes listed on Euronext Dublin will be published on the website of Euronext Dublin at www.ise.ie. Copies of Final Terms relating to Notes which are admitted to trading on any other regulated market in the EEA, will be published in accordance with the rules and regulations of the relevant listing authority or stock exchange and otherwise in accordance with Article 21 of the Prospectus Regulation.

Auditors

15. The audit of Euroclear Bank's financial statements was conducted by PwC Bedrijfsrevisoren BCVBA, represented by Damien Walgrave, (members of IBR – IRE *Instituut der Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises*) for the financial year ended 31 December 2016 and for the financial year ended 31 December 2017. They have rendered unqualified audit reports on the financial statements of Euroclear Bank for the years ended 31 December 2016 and 2017.

16. The audit of Euroclear Bank's financial statements was conducted by Deloitte Bedrijsrevisoren / Réviseurs d'Enterprises CVBA / SCRL, represented by Yves Dehogne (members of IBR – IRE *Instituut der Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises*) for the financial year ended 31 December 2018. They have rendered unqualified audit reports on the financial statements of Euroclear Bank for the year ended 31 December 2018.

LEI number

17. The Legal Entity Identifier (LEI) of Euroclear Bank is 549300OZ46BRLZ8Y6F65.

Language

18. The language of the Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

REGISTERED OFFICE OF EUROCLEAR BANK SA/NV

Euroclear Bank SA/NV
1 Boulevard du Roi Albert II
1210 Brussels
Belgium

ARRANGER

J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

DEALERS

Société Générale
29 boulevard Haussmann
75009 Paris
France

FISCAL & CALCULATION AGENT

Citibank, N.A., London Branch
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