

 **Westpac Securities NZ Limited**  
(incorporated with limited liability in New Zealand, company number 1859984)

**U.S.\$10,000,000,000 Programme for the  
Issuance of Debt Instruments**  
*Unconditionally and irrevocably guaranteed by*

 **Westpac New Zealand Limited**  
(incorporated with limited liability in New Zealand, company number 1763882)

This base prospectus (the “**Base Prospectus**”) has been approved by the United Kingdom Financial Conduct Authority (the “**FCA**”), which is the United Kingdom competent authority for the purposes of Regulation (EU) 2017/1129 (as amended) (the “**Prospectus Regulation**”). The FCA 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 WNZL (each as defined below) or of the quality of the Instruments (as defined below) that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Instruments. Application will be made to the London Stock Exchange plc (the “**London Stock Exchange**”) for such Instruments to be admitted to trading on the London Stock Exchange’s Regulated Market. The London Stock Exchange’s Regulated Market is a regulated market for the purposes of Directive 2014/65/EU, as amended (“**MiFID II**”).

This Base Prospectus has been issued in compliance with the Prospectus Regulation for the purpose of giving information with regard to the issue of debt instruments (the “**Instruments**”) under this programme (the “**Programme**”) during the period of 12 months after the date hereof. Instruments may also be issued under the Programme on the basis that they will be unlisted or admitted to listing and/or trading by such other or further listing authority and/or stock exchange as may be agreed between the Issuer and the relevant Dealer (both as defined herein). Such instruments shall be “**PR Exempt Instruments**” being Instruments for which no prospectus is required to be published pursuant to the Prospectus Regulation. Information contained in this Base Prospectus regarding PR Exempt Instruments shall not be deemed to form part of this Base Prospectus and the FCA has neither approved nor reviewed information contained in this Base Prospectus in connection with the offering and sale of PR Exempt Instruments. In the case of PR Exempt Instruments, notice of the aforesaid information which is applicable to each Tranche (as defined herein) will be set out in a pricing supplement document (“**Pricing Supplement**”). Accordingly, in the case of PR Exempt Instruments, each reference in this Base Prospectus to information being specified or identified in the applicable Final Terms shall be read and construed as a reference to such information being specified or identified in the applicable Pricing Supplement unless the context requires otherwise.

This Base Prospectus supersedes any previous Base Prospectus describing the Programme. Any Instruments issued under the Programme on or after the date of this Base Prospectus are issued subject to the provisions described herein. This does not affect any Instruments issued before the date of this Base Prospectus.

Factors which could be material for the purpose of assessing the risks associated with the Instruments issued under the Programme are set out on pages 9 to 34 (inclusive) of this Base Prospectus.

The Instruments have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. Instruments are being offered only in offshore transactions in accordance with Regulation S under the Securities Act and, in certain limited circumstances, Registered Instruments may be offered only to “qualified institutional buyers” in accordance with Rule 144A under the Securities Act, in each case, in compliance with applicable securities laws.

This Base Prospectus is valid for 12 months from its date in relation to Instruments which are to be admitted to trading on a regulated market in the European Economic Area (the “**EEA**”) or in the United Kingdom and/or offered to the public in the EEA or in the United Kingdom other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

*Arranger for the Programme*

**UBS Investment Bank**

*Dealers*

**Barclays**

**Citigroup**

**HSBC**

**Nomura**

**BNP PARIBAS**

**Deutsche Bank**

**J.P. Morgan**

**UBS Investment Bank**

**BofA Securities**

**Goldman Sachs International**

**Morgan Stanley**

**Westpac Banking Corporation**

17 December 2020

Moody's Investors Service Pty Limited has assigned Westpac Securities NZ Limited ("**WSNZL**" or the "**Issuer**") a senior unsecured credit rating of A1. The outlook for the rating is stable. The short term credit rating assigned by Moody's Investors Service Pty Limited to the Issuer is P-1.

S&P Global Ratings Australia Pty Limited has assigned Westpac New Zealand Limited ("**WNZL**") a senior unsecured credit rating of AA-. The outlook for the rating is negative. The short term credit rating assigned by S&P Global Ratings Australia Pty Limited to WNZL is A-1+. Moody's Investors Service Pty Limited has assigned WNZL a senior unsecured credit rating of A1. The outlook for the rating is stable. The short term credit rating assigned by Moody's Investors Service Pty Limited to WNZL is P-1.

S&P Global Ratings Australia Pty Limited has assigned the Programme an unsecured and unsubordinated long-term credit rating of AA-. The unsecured and unsubordinated short term credit rating assigned by S&P Global Ratings Australia Pty Limited to the Programme is A-1+. Moody's Investors Service Pty Limited has assigned the Programme a senior unsecured credit rating of (P)A1. The short term credit rating assigned by Moody's Investors Service Pty Limited to the Programme is (P)P-1.

Ratings assigned to the Instruments and/or the Issuer by an independent rating agency represent the views of the relevant rating agency only.

Neither S&P Global Ratings Australia Pty Limited nor Moody's Investors Service Pty Limited is established in the European Union or has applied for registration under Regulation (EU) No. 1060/2009 as amended or superseded (the "**CRA Regulation**"). However, S&P Global Ratings Australia Pty Limited is endorsed by S&P Global Ratings Europe Limited and Moody's Investors Service Pty Limited is endorsed by Moody's Investors Service Ltd, each of which is established in the European Union and registered under the CRA Regulation.

Each of the Issuer and WNZL accepts responsibility for the information contained in this Base Prospectus and each Final Terms or Pricing Supplement, as applicable (as defined herein). To the best of the knowledge of the Issuer and WNZL, the information contained in this Base Prospectus is in accordance with the facts and this Base Prospectus does not omit anything likely to affect the import of such information.

References herein to the "**Programme Date**" are to the date specified on the cover of this Base Prospectus. References herein to the "**WBC Group**" are to Westpac Banking Corporation ("**WBC**") and its controlled entities. References herein to the "**WNZL Group**" are to WNZL and its controlled entities.

This Base Prospectus should be read and construed together with any amendments or supplement thereto and, unless the context otherwise requires, deemed to include any other documents incorporated by reference herein and, in relation to any Series (as defined herein) of Instruments, should be read and construed together with the relevant Final Terms or Pricing Supplement, as applicable.

The information on any websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the FCA.

No person has been authorised by the Issuer or WNZL to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document

entered into in relation to the Programme or any additional written information supplied by the Issuer or WNZL or such other information as has been published in the public domain by the Issuer or WNZL and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or WNZL or any Dealer (as defined in the “**Subscription and Sale**” section in this Base Prospectus).

The Dealers have not independently verified the information contained herein. Accordingly, no representation or warranty is made or implied by the Dealers or any of their respective affiliates, and neither the Dealers nor any of their respective affiliates make any representation or warranty, or accept any responsibility, as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus nor any Final Terms or Pricing Supplement, as applicable, nor the offering, sale or delivery of any Instrument shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date thereof 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 situation of the Issuer or WNZL since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with this Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and any Final Terms or Pricing Supplement, as applicable, and the offering, sale and delivery of the Instruments in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms or Pricing Supplement, as applicable, comes are required by the Issuer, WNZL and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Instruments and on the distribution of this Base Prospectus or any Final Terms or Pricing Supplement, as applicable, and other offering material relating to the Instruments, see the *Subscription and Sale* section in this Base Prospectus. In particular, the Instruments and the WNZL Guarantee of the Instruments (as defined in the “Terms and Conditions of the Instruments”) have not been and will not be registered under the Securities Act and may include Instruments in bearer form which are subject to U.S. tax law requirements. Subject to certain exceptions, Instruments may not be offered, sold or delivered within the United States or to, or for the account of, U.S. persons within the meaning of Regulation S under the Securities Act (“**U.S. person**”). Neither this Base Prospectus nor any Final Terms or Pricing Supplement, as applicable, may be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

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

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

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

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

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Instruments in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of the Instruments may be restricted by law in certain jurisdictions. The Issuer, WNZL and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Instruments may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, WNZL or the Dealers which would permit a public offering of any Instruments or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Instruments may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Instruments may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Instruments. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Instruments in New Zealand, Australia, the United States, the EEA (including the Netherlands, the Republic of Italy, the Kingdom of Spain and France), the United Kingdom, Japan, Singapore, Taiwan and Hong Kong; see *Subscription and Sale and Transfer and Selling Restrictions*.

This Base Prospectus has been prepared on the basis that any offer of Instruments in any Member State of the EEA or in the United Kingdom will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Instruments. In particular, any offer of Instruments with a minimum denomination of less than €100,000 (or its equivalent in any other currency) will (i) only be admitted to trading on an EEA or United Kingdom regulated market (as defined in MiFID II), or a specific segment of an EEA or United Kingdom regulated market, to which only qualified investors (as defined in the Prospectus Regulation) can have access (in which case they shall not be offered or sold to persons who are not qualified investors (as defined in the Prospectus Regulation)) or (ii) only be offered to the public in a Member State of the EEA or in the United Kingdom pursuant to an exemption under Article 1(4) of the Prospectus Regulation. Accordingly, any person making or intending to make an offer in a Member State or in the United Kingdom of Instruments which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Instruments may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of 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 any of them authorise, the making of any offer of Instruments in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

**IMPORTANT – EEA AND UNITED KINGDOM RETAIL INVESTORS** – If the Final Terms in respect of any Instruments includes a legend entitled “Prohibition of Sales to EEA and United Kingdom Retail Investors”, the Instruments are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the EEA or in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; 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. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the Instruments or otherwise making them available to retail investors in the EEA or in the United Kingdom has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the EEA or in the United Kingdom may be unlawful under the PRIPs Regulation.

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

**Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore, as modified or amended from time to time** – Unless otherwise stated in the Final Terms or Pricing Supplement, as applicable, in respect of any Instrument, all Instruments issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded

Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Instruments is a manufacturer in respect of such Instruments, 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.

Amounts payable on Floating Rate Instruments may be calculated by reference to one of the London Interbank Offered Rate (“**LIBOR**”), the Euro Interbank Offered Rate (“**EURIBOR**”), the Sterling Overnight Index Average (“**SONIA**”), the SONIA compounded index (“**SONIA Index**”), the Secured Overnight Financing Rate (“**SOFR**”) or the compounded SOFR index (“**SOFR Index**”) as specified in the relevant Final Terms. As at the date of this Base Prospectus, the administrator of LIBOR (ICE Benchmark Administration Limited) and the administrator of EURIBOR (the European Money Markets Institute) are included in the register of administrators maintained by the European Securities and Markets Authority (“**ESMA**”) under Article 36 of Regulation (EU) No. 2016/1011 of the European Parliament and of the Council of 8 June 2016, as amended (the “**Benchmark Regulation**”). As at the date of this Base Prospectus, the administrator of SONIA and SONIA Index (the Bank of England (the “**BoE**”)) and the administrator of SOFR and of SOFR Index (the Federal Reserve Bank of New York) do not appear in ESMA’s register of administrators under Article 36 of the Benchmark Regulation. As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmark Regulation apply, such that, as at the date of this Base Prospectus, the administrator of SONIA and of SONIA Index and the administrator of SOFR and of SOFR Index are not currently required to obtain authorisation or registration (or, if located outside the European Union or in the United Kingdom, recognition, endorsement or equivalence).

All references in this Base Prospectus to a “**Member State**” are references to a Member State of the EEA, references to “**US\$**”, “**US dollars**”, “**USD**” or “**US cents**” are to the lawful currency of the United States of America, all references to “**A\$**”, “**AUD**” and “**Australian cents**” are to the lawful currency of Australia, all references to “**NZ\$**”, “**NZD**” and “**NZ cents**” are to the lawful currency of New Zealand, all references to “**£**”, “**Sterling**” and “**GBP**” are to the lawful currency of the United Kingdom, all references to “**S\$**” are to the lawful currency of Singapore and all references to “**Yen**” or “**JPY**” are to the lawful currency of Japan. References to “**€**”, “**Eur**”, “**euro**” or, as the context may require, “**euro cents**” are to the currency, introduced at the third stage of European Economic and Monetary Union pursuant to the Treaty on European Union of those member states of the European Union which are participating in the European economic and monetary union (the “**Eurozone**”). References to “**Australia**” are to the Commonwealth of Australia, its territories and possessions.

In connection with the issue of any Tranche (as defined herein) of Instruments under the Programme, the Dealer or Dealers (if any) specified as the stabilising dealers (the “**Stabilising Dealer(s)**”) (or persons acting on behalf of any Stabilising Dealer(s)) may over allot Instruments or effect transactions with a view to supporting the market price of the Instruments at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Instruments is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Instruments and 60 days after the date of the allotment of the relevant Tranche of Instruments. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Dealer(s)

(or person(s) acting on behalf of any Stabilising Dealer(s)) in accordance with all applicable laws and rules.

Unless otherwise stated, a reference in this Base Prospectus to “**Moody’s**” or “**Moody’s Investors Services**” shall be a reference to Moody’s Investors Service Pty Limited and a reference to “**S&P Global Ratings**” shall be a reference to S&P Global Ratings Australia Pty Limited.

The Instruments do not represent protected accounts, deposits or other liabilities of WBC.

- (i) The holding of Instruments is subject to investment risk, including possible delays in repayment and loss of income and principal invested.
- (ii) Neither the Issuer nor WNZL is an authorised deposit-taking institution under the Banking Act 1959 (Australia).
- (iii) Neither WBC nor any Dealer in any way stands behind the value and/or performance of the Instruments or guarantees the payment of interest or the repayment of principal due on the Instruments.
- (iv) None of the obligations of the Issuer or WNZL in respect of the Instruments is guaranteed in any way by WBC or any of its controlled entities, except that WNZL has provided a guarantee to the extent described in this Base Prospectus.

## TABLE OF CONTENTS

	<i>Page</i>
RISK FACTORS	9
DOCUMENTS INCORPORATED BY REFERENCE	35
TERMS AND CONDITIONS OF THE INSTRUMENTS	38
PRO FORMA FINAL TERMS (less than €100,000)	110
PRO FORMA FINAL TERMS (at least €100,000)	128
PRO FORMA PRICING SUPPLEMENT FOR PR EXEMPT INSTRUMENTS	145
USE OF PROCEEDS	162
WESTPAC NEW ZEALAND LIMITED	164
WESTPAC SECURITIES NZ LIMITED	178
WESTPAC NEW ZEALAND LIMITED SELECTED FINANCIAL INFORMATION	180
WESTPAC SECURITIES NZ LIMITED SELECTED FINANCIAL INFORMATION	183
TAXATION	185
SUBSCRIPTION AND SALE	189
GENERAL INFORMATION	200



## RISK FACTORS

*The Issuer and WNZL believe that the following material factors may affect the Issuer's or WNZL's abilities to fulfil their obligations under Instruments issued under the Programme or the WNZL Deed of Guarantee, respectively. The inability of the Issuer or WNZL to pay interest, principal or other amounts on or in connection with any Instruments or the WNZL Deed of Guarantee may occur for other reasons which are not considered to be significant or which are currently unknown or which the Issuer and WNZL are unable to anticipate, and accordingly the Issuer and WNZL do not represent that the statements regarding the risks of holding any Instruments below are exhaustive.*

*Factors which could be material for the purpose of assessing the market risks associated with Instruments issued under the Programme are described below.*

*Words and expressions defined in the "Terms and Conditions of the Instruments" below or elsewhere in this Base Prospectus have the same meanings in this section, unless otherwise stated.*

**Factors that may affect the Issuer's or WNZL's ability to fulfil their obligations under Instruments issued under the Programme or the WNZL Deed of Guarantee.**

### **1. Risks relating to WNZL's business**

#### **1.1 COVID-19**

***COVID-19 has had, and COVID-19 and a pandemic like COVID-19 could in the future have, an adverse effect on WNZL***

WNZL is vulnerable to the impacts of a communicable disease outbreak or a pandemic. The COVID-19 pandemic has had, and WNZL expects will continue to have, a negative impact on its customers, shareholders, employees and financial performance, among other adverse effects.

The pandemic has disrupted, and will continue to disrupt, numerous industries and global supply chains, while important measures to mitigate its impact (such as restrictions on businesses, movement and public gatherings) have had, and WNZL expects will continue to have, a negative effect on economic activity.

This decrease in economic activity has affected, and will continue to affect, demand for WNZL's products and services for an unknown time and by an unknown amount. The associated financial stress on WNZL's customers has increased impairments, defaults and write-offs. WNZL has increased its provisions for expected credit losses, however, further increases may be required.

WNZL has supported customers impacted by the pandemic by lowering interest rates on certain products, waiving certain fees and granting deferrals of certain loan repayments. These initiatives have had and may continue to have a negative impact on WNZL's financial performance and may see WNZL assume greater risk than it would have under ordinary circumstances. There is also a possibility that governments or regulators will require banks (including WNZL) to provide further support to customers impacted by the COVID-19 pandemic.

Actions taken by regulators in response to the COVID-19 pandemic have impacted and could in the future impact WNZL. In New Zealand, the Reserve Bank of New Zealand (“**RBNZ**”) made the decision to freeze the distribution of dividends on ordinary shares by all banks in New Zealand during the period of economic uncertainty caused by the COVID-19 pandemic. This prevents WNZL from paying dividends.

WNZL’s business activities and operations have been, and will likely in the future be, disrupted by disease outbreaks or pandemics. For example, the COVID-19 pandemic has resulted in WNZL closing workplaces and suspending the provision of services through certain channels.

When such outbreaks or pandemics occur, WNZL may need to adjust its risk appetite, policies or controls so it can respond to the outbreak or pandemic and protect the well-being of staff and customers who visit WNZL premises. These changes could have unforeseen consequences and expose WNZL to increased regulatory oversight and/or regulatory action.

Further, to respond to the COVID-19 pandemic, WNZL has implemented (and may implement in the future) new measures in very short periods of time. Taking this type of action may increase the risk that an operational or compliance breakdown occurs, potentially leading to financial losses, impacts on customer service or regulatory and/or legal action.

There continues to be significant uncertainty associated with the COVID-19 pandemic, including the severity of the disease, its duration and actions that may be taken by governments and businesses to attempt to contain the virus or mitigate its impact. In turn, this has the potential for longer term impacts on WNZL’s customers, business and operations. The COVID-19 pandemic may also heighten other risks described below.

## **1.2 Legal and regulatory risk**

### ***WNZL could be adversely affected by legal or regulatory change***

WNZL’s business, prospects, reputation, financial performance and financial condition have been, and could in the future be, adversely affected by changes to law, regulation, policies, supervisory activities and the expectations of its regulators. WNZL operates in an environment where there is increased regulation on and scrutiny of financial services providers.

Regulatory change has the ability to adversely affect WNZL’s financial condition and financial position, and could do so in the future.

There are many sources of regulatory change that could affect WNZL’s business. Such change could stem from international bodies, such as the Basel Committee on Banking Supervision or from reviews and inquiries commissioned by governments or regulators.

Regulation impacting WNZL’s business may not always be released in a timely manner before its date of implementation. Similarly, early announcements of regulatory change may not be specific and significantly differ from the final regulation. In those cases, WNZL may not be able to effectively manage its compliance design in the timeframes available.

Relevant governments or regulators could also revise their application of regulatory policies, thereby impacting WNZL’s business (such as macro-prudential limits on lending).

It is critical WNZL manages regulatory change effectively. The failure to do so has resulted, and could in the future result, in WNZL not meeting its compliance obligations, the potential consequences of which are set out below in '*WNZL has been or could be adversely affected by failing to comply with laws, regulations or regulatory policy*'.

WNZL expects that it will continue to invest significantly in compliance and the management and implementation of regulatory change, and significant management attention and resources may be required to update existing, or implement new, processes to comply with such new regulations.

WNZL's ability to manage regulatory change has been, and will in the future be, impacted by the COVID-19 pandemic or similar pandemics. The COVID-19 pandemic has caused significant disruptions and delays to regulatory change projects, increasing the risk that WNZL may not comply with new regulations when they come into effect. The governmental response to the COVID-19 pandemic has also seen new legislation and regulation, which may increase compliance risks. WNZL may also incur costs responding to this new legislation and regulation.

The failure of WNZL to appropriately manage and implement regulatory change, including by failing to implement effective processes to comply with new regulations, has, in some instances, resulted in, and could in the future result in, WNZL failing to meet a compliance obligation.

***WNZL has been and could be adversely affected by failing to comply with laws, regulations or regulatory policy***

WNZL is responsible for ensuring that it complies with all applicable legal and regulatory requirements and industry codes of practice in the jurisdictions in which it operates or obtains funding, as well as meeting its ethical standards.

WNZL is subject to conduct and compliance risk. These risks are exacerbated by the increasing complexity and volume of regulation, including where WNZL interprets its obligations and rights differently to its regulators or a Court, tribunal or other body. The potential for this is heightened when regulation is new, untested or is not accompanied by extensive regulatory guidance.

WNZL's compliance management system is designed to identify, assess and manage compliance risk. However, this system has not always been, and may not always be, effective. Breakdowns have occurred, and may in the future occur, due to flaws in the design of controls or processes. This has resulted in, and may in the future result in, potential breaches of compliance obligations as well as poor customer outcomes.

Conduct risk could occur through the provision of products and services to customers that do not meet their needs or do not meet the expectations of the market, as well as the poor conduct of WNZL employees, contractors, agents, authorised representatives and external services providers. This could occur through a failure to meet professional obligations to specific clients (including fiduciary and suitability requirements), weakness in risk culture, poor product design and implementation, failure to adequately consider customer needs or selling products and services outside of customer target markets. This could include deliberate attempts by such individuals to circumvent WNZL's controls, processes and procedures or negligent actions that could result in the circumvention of WNZL's controls, processes and procedures. WNZL depends on its people to 'do the right thing' to meet its compliance obligations. Inappropriate or poor conduct by these individuals such as not following a policy or engaging in misconduct has resulted and could result in poor customer outcomes and a failure by WNZL to meet its compliance

obligations. The large number of WNZL employees working remotely due to the COVID-19 pandemic may negatively affect WNZL's compliance controls and monitoring processes and there may be an increased risk that staff fail to follow internal policies or that customers may be adversely affected through privacy breaches.

While WNZL has frameworks, policies, processes and controls that are designed to manage poor conduct outcomes, these policies and processes have been, and may be, ineffective. The failure of these policies and processes could result in financial losses (including incurring substantial remediation costs and as a result of litigation by regulators and customers) and reputational damage, which could adversely affect WNZL business, prospects, financial performance or financial condition.

WNZL's failure, or suspected failure, to comply with a compliance obligation could lead to a regulator commencing a review. WNZL is currently subject to reviews by regulators, with the intensity of these increasing.

Depending on the circumstances, regulatory reviews and investigations have in the past and may in the future result in a regulator taking administrative or enforcement action against WNZL and/or its representatives. Regulators could pursue civil or criminal proceedings, seeking substantial fines, civil penalties or other enforcement outcomes. In addition, regulatory investigations may lead to adverse findings against directors and management, including potential disqualification.

Disruptions to WNZL's business, operations, third-party contractors and suppliers resulting from the COVID-19 pandemic have also increased and may continue to increase the risk that WNZL will not be able to satisfy commitments made to regulators about improving processes and/or resolving outstanding issues, potentially increasing the prospect of a regulator taking action against WNZL.

***The failure to comply with financial crime obligations has had and could have further adverse effects on WNZL's business and reputation***

WNZL is subject to anti-money laundering and counter-terrorism financing ("AML/CTF") laws, anti-bribery and corruption laws, economic and trade sanctions laws and tax transparency laws in the jurisdictions in which it operates. These laws can be complex, and, in some circumstances, impose a diverse range of obligations. As a result, the environment in which WNZL operates has heightened operational and compliance risks. For example, AML/CTF laws require WNZL and other regulated institutions to (amongst other things) undertake the applicable customer identification procedures, conduct ongoing and enhanced due diligence on customers, maintain and comply with an AML/CTF program and undertake ongoing risk assessments.

AML/CTF laws also require WNZL to report certain matters and transactions to regulators (including international funds transfer instructions, threshold transaction reports and suspicious matter reports) and ensure that certain information is not disclosed to third parties in a way that would contravene the 'tipping off' provisions in AML/CTF legislation.

In recent years there has been, and there continues to be, increased focus on compliance with financial crime obligations, with regulators globally commencing large-scale investigations and taking enforcement action for identified non-compliance (often seeking significant penalties). Further, due to WNZL's large number of customers and transaction volumes, the undetected failure or the ineffective implementation, monitoring or remediation of a system, policy, process or

control (including a regulatory reporting obligation) has, and could in the future result in, a significant number of breaches of AML/CTF obligations. This in turn could lead to significant penalties and other adverse impacts for WNZL, such as reputational damage.

While WNZL has systems, policies, processes and controls in place designed to manage its financial crime obligations (including reporting obligations), these have not always been, and may not in the future always be effective. This could be for a range of reasons, including, for example, a deficiency in the design of a control or a technology failure. WNZL analysis and reviews, in addition to regulator feedback, have highlighted that WNZL systems, policies, processes and controls are not operating satisfactorily in a number of respects and require improvement.

WNZL is currently undertaking a significant multi-year program of work to strengthen areas of control weakness in its financial crime risk management framework (including important aspects of its money laundering and terrorism financing risk assessments and governance) and rectify the management of this risk. WNZL has increased dedicated financial crime risk expertise and resources to deliver the financial crime program of work.

With increased focus on financial crime, further issues requiring attention have been identified and may continue to be identified.

If WNZL fails, or where WNZL has failed, to comply with these financial crime obligations, WNZL has faced and could face regulatory enforcement action such as litigation, significant fines, penalties and the revocation, suspension or variation of licence conditions, such as the civil penalty proceedings brought by the Australian Transaction Reports and Analysis Centre (“AUSTRAC”) against WBC on 20 November 2019 for alleged contraventions of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)*.

### **1.3 Risks relating to the core operations supporting WNZL’s activities**

#### ***Reputational damage has harmed and could in the future harm WNZL’s business and prospects***

Reputational risk arises where there are differences between stakeholders’ current and emerging perceptions, beliefs and expectations and WNZL’s past, current and planned activities, processes, performance and behaviours.

There are various potential sources of reputational damage, for example, where WNZL actions cause, or are perceived to cause, a negative outcome for customers, shareholders, stakeholders or the community. Reputational damage could also arise from the failure to effectively manage risks, failure to comply with legal and regulatory requirements, enforcement or supervisory action by regulators (such as the civil penalty proceedings brought by AUSTRAC against WBC), adverse findings from regulatory reviews, failure or perceived failure to adequately respond to community, environmental, social and ethical issues, failure of information security systems, technology failures and security breaches and inadequate record keeping which may prevent WNZL from demonstrating that or determining if a past decision was appropriate at the time it was made.

WNZL may suffer reputational damage where its conduct, practices, behaviours or business activities do not align with the evolving standards and expectations of the community, WNZL’s customers, regulators and/or other stakeholders. As these expectations may exceed the standard

required in order to comply with the law, WNZL may incur reputational damage even where it has met its legal obligations.

Failure, or perceived failure, to address issues that could or do give rise to reputational risk has created, and could in the future create, additional legal risk, subject WNZL to regulatory investigations, regulatory enforcement actions, fines and penalties or litigation brought by third parties (including class actions), require it to remediate and compensate customers and incur remediation costs or harm its reputation among customers, investors and the market. This could adversely affect WNZL's business, prospects, financial performance or financial condition.

***WNZL has suffered and could suffer losses due to litigation***

WNZL may, from time to time, be involved in legal proceedings (including class actions), regulatory actions or arbitration. Such litigation could be commenced by a range of plaintiffs, such as customers, shareholders, suppliers, counterparties and regulators.

In recent years there has been an increase in class action proceedings brought against financial services companies, many of which have resulted in significant monetary settlements. The risk of class actions has been heightened by a number of factors, including regulatory enforcement actions (such as the civil penalty proceedings brought by AUSTRAC), an increase in the number of regulatory investigations and inquiries, more intense media scrutiny and the growth of third-party litigation funding. Class actions commenced against a competitor could also lead to similar proceedings against WNZL.

Litigation (including class actions) may, either individually or in aggregate, adversely affect WNZL's business, operations, prospects, reputation or financial condition. Such matters are subject to many uncertainties and the outcome may not be predicted accurately. Furthermore, WNZL's ability to respond to and defend litigation may be adversely affected by inadequate record keeping.

Depending on the outcome of any litigation, WNZL may be required to comply with broad court orders, including compliance orders, enforcement orders or otherwise pay significant damages, fines, penalties or legal costs.

There is a risk that the actual penalty paid following a settlement or determination by a Court for any legal proceedings may be materially higher or lower than the provision or that any contingent liability may be larger than anticipated. This may occur in a range of situations, for example where the scope of litigation against WNZL is expanded by further claims or causes of action. There is also a risk that additional litigation or contingent liabilities arise, all of which could adversely affect WNZL business, prospects, reputation, financial performance or financial condition.

***WNZL could suffer information security risks, including cyberattacks***

WNZL (and its external service providers) is subject to information security risks. These risks are heightened by:

- new technologies;
- increased use of the internet and telecommunications to conduct financial transactions;
- the growing sophistication of attackers;
- increased regulatory focus on cyber security and oversight of cyber activities; and

- the COVID-19 pandemic, which has resulted in many WNZL employees (and staff of service providers) working remotely or from other sites, potentially providing increased opportunities for cyber threat actors to exploit.

While WNZL has systems in place to protect against, detect and respond to cyberattacks, these systems have not always been, and may not always be, effective. There is no assurance that WNZL will not suffer losses from cyberattacks or information security breaches. WNZL may not be able to anticipate and prevent a cyberattack, effectively respond to a cyberattack and/or rectify or minimise damage resulting from a cyberattack. WNZL external service providers, and other parties that facilitate WNZL activities and financial platforms and infrastructure (such as payment systems and exchanges) are also subject to the risk of cyberattacks.

If WNZL is subject to a successful cyberattack, technology systems might fail to operate properly or become disabled and it could result in the unauthorised release, gathering, monitoring, misuse, loss or destruction of confidential, proprietary and other information of WNZL, its employees, customers or third parties or otherwise adversely impact network access, business operations or availability of services.

In addition, as cyber threats continue to evolve, WNZL may be required to expend significant additional resources to modify or enhance its systems or to investigate and remediate any vulnerabilities or incidents.

WNZL's operations rely on the secure processing, storage and transmission of information on its computer systems and networks, and the systems and networks of external suppliers. Although WNZL implements measures to protect the confidentiality and integrity of its information, there is a risk that the computer systems, software and networks on which WNZL relies may be subject to security breaches, unauthorised access, malicious software, external attacks or internal breaches that could have an adverse impact on WNZL's confidential information or that of its customers and counterparties.

A range of potential consequences could arise from a successful cyberattack, such as:

- systems not operating properly disrupting operations;
- damage to technology infrastructure;
- adverse impacts to network access, operations or availability of services;
- loss of customers;
- loss of data/information;
- reputational damage;
- claims for compensation;
- adverse regulatory action including fines or penalties; and
- significant additional resources required to modify WNZL systems or to investigate and remediate any vulnerabilities or incidents.

***WNZL could suffer losses due to technology failures***

Maintaining the reliability, integrity and security of WNZL's information and technology is crucial to WNZL's business.

While WNZL has a number of processes in place to preserve and monitor the availability and recovery of its systems, there is a risk that its information and technology systems might fail to

operate properly or become disabled, including from events wholly or partially beyond its control. For example, the COVID-19 pandemic has seen more WNZL employees work remotely or from alternative sites, which may put additional stress on WNZL's information technology infrastructure and systems. Similarly, the COVID-19 pandemic and the measures implemented by governments to mitigate its spread are likely to result in increased demand being placed on critical national technology and communications infrastructure which WNZL relies on. This could adversely impact the reliability of such infrastructure and increase the risk that WNZL's technology systems will not be able to operate properly or will become disabled for a period of time.

If WNZL incurs a technology failure it may fail to meet a compliance obligation (such as retaining records and data for a certain period of time), or WNZL customers may be adversely affected, including through privacy breaches or loss of personal data. This could result in reputational damage, remediation costs and a regulator commencing an investigation and/or taking action against WNZL. The over reliance on legacy systems may heighten the risk of a technology failure.

WNZL needs to regularly renew and enhance WNZL technology to deliver new products and services (for example the introduction of negative interest rates), comply with regulatory obligations and meet WNZL customers' and regulators' obligations. Consequently, WNZL is constantly managing new technology projects. Failure to effectively implement these projects could result in cost overruns, reduced productivity, operational instability, compliance failures, reputational damage and/or the loss of market share. This could place WNZL at a competitive disadvantage and adversely affect its business, prospects, financial performance or financial condition.

#### **1.4 Risks related to WNZL's financial situation**

##### ***WNZL is exposed to adverse credit and capital market conditions***

WNZL relies on deposits, and credit and capital markets to fund its business and source liquidity. WNZL's liquidity and costs of obtaining funding are related to credit and capital market conditions.

Global credit and capital markets can experience periods of extreme volatility, disruption and decreased liquidity. Such disruption can be for extended periods and be unpredictable as experienced during the Global Financial Crisis. The main risks WNZL faces are damage to market confidence, changes to the access and cost of funding, a slowing in global economic activity or other impacts on customers or counterparties.

As of 30 September 2020, approximately 20 per cent. of WNZL's total funding originated from domestic and international wholesale markets (30 September 2019: 22 per cent.). Of this, around 65 per cent. was sourced outside New Zealand (30 September 2019: 79 per cent.). As of 30 September 2020, WNZL's deposits provided around 75 per cent. of total funding (30 September 2019: 74 per cent.). Customer deposits held by WNZL comprise both term deposits, which can be withdrawn after a certain period of time and at call deposits, which can be withdrawn at any time.

A shift in investment preferences could result in deposit withdrawals which could increase WNZL's need for funding from other, potentially less stable, or more expensive sources.

If market condition deteriorates due to economic, financial, political or other reasons (including the COVID-19 pandemic), there may also be a loss of confidence in bank deposits leading to



unexpected withdrawals. This could increase funding costs and WNZL's liquidity, funding and lending activities may be constrained and WNZL's financial solvency threatened.

If WNZL's current sources of funding prove to be insufficient, WNZL may need to seek alternatives which will depend on factors such as market conditions, credit ratings and market capacity. Even if available, these alternatives may be more expensive or on unfavourable terms, which could adversely affect WNZL's financial performance, liquidity, capital resources or financial condition.

If WNZL is unable to source appropriate funding, it may be forced to reduce lending or liquidity. This may adversely impact WNZL's business, prospects, liquidity, capital resources, financial performance or financial condition. If WNZL is unable to source appropriate funding for an extended period, or if it can no longer realise liquidity, WNZL may not be able to pay its debts as and when they fall due.

WNZL enters into collateralised derivative obligations, which may require WNZL to post additional collateral based on market movements, which has the potential to adversely affect WNZL's liquidity or ability to use derivative obligations to hedge its interest rate, currency and other financial instrument risks.

***WNZL could be adversely affected by the risk of inadequate capital levels under stressed conditions***

The economic impact of the COVID-19 pandemic has brought to the fore the risk of an inadequate level or composition of capital to support normal business activities and to meet regulatory capital requirements under normal operating environments or stressed conditions. Regulatory change will require banks to hold higher capital, specifically for the implementation of future capital and risk-weighted assets requirements coming into effect from 1 July 2021. Capital constraints could have an impact on WNZL's ability to pay future dividends or make capital distributions. Adverse conditions and/or adverse regulatory change could impact WNZL's capital adequacy and/or trigger capital distribution constraints.

For further information see '*RBNZ Capital Review*' under '*Regulatory Developments*' below.

***Sovereign risk may destabilise financial markets adversely***

Sovereign risk is the risk that governments will default on their debt obligations or will be unable to refinance their debts as they fall due. Potential sovereign debt defaults and the risk that governments will nationalise parts of their economy including assets of financial institutions such as WNZL could negatively impact the value of WNZL's holdings of liquid assets. There may also be a cascading effect to other markets and countries, the consequences of which, while difficult to predict, may be similar to or worse than those experienced during the Global Financial Crisis. Such an event could destabilise global financial markets, adversely affecting WNZL's liquidity, financial performance or financial condition.

***WNZL could be adversely affected by the failure to maintain credit ratings***

Credit ratings are independent opinions on WNZL's creditworthiness. WNZL's credit ratings can affect the cost and availability of its funding and may be important to certain customers or counterparties when evaluating WNZL's products and services.

Credit ratings assigned to WNZL by rating agencies are based on an evaluation of a number of factors, including WNZL's financial strength, the quality of WNZL's governance, structural considerations regarding the New Zealand financial system and economy and New Zealand's Sovereign credit rating. A rating downgrade could be driven by a downgrade of New Zealand's Sovereign credit rating, or one or more of the risks identified in this section or by other events including changes to the methodologies rating agencies use to determine ratings.

A downgrade to WNZL's credit ratings could have an adverse effect on its cost of funds, collateral requirements, liquidity, competitive position and its access to capital markets. The extent and nature of these impacts would depend on various factors, including the extent of any rating change, differences across agencies (split ratings) and whether competitors or the sector are also impacted.

***WNZL could be adversely affected by a shock to the New Zealand, Australian or other financial systems***

There is a risk that a major systemic shock could occur that adversely impacts the New Zealand, Australian or other financial systems.

In the past decade the financial services industry and capital markets have been, and may continue to be, adversely affected by volatility, global economic conditions, external events, geopolitical instability (such as global conflicts) and political developments. For example, the impacts from the COVID-19 pandemic have been, and could continue to be, significant for the global economy including New Zealand.

Market and economic disruptions could adversely affect financial institutions such as WNZL because consumer and business spending may decrease, unemployment may rise and demand for the products and services could decline, thereby reducing its earnings. These conditions may also affect the ability of WNZL's borrowers or counterparties to repay their loans or meet their obligations, causing WNZL to incur higher credit losses and affecting investors' willingness to invest in WNZL. These events could also undermine confidence in the financial system, reduce liquidity, impair access to funding and affect WNZL customers and counterparties. If this were to occur, WNZL's business, prospects, financial performance or financial condition could be adversely affected.

The nature and consequences of any such event are difficult to predict and there is a risk that WNZL's response may be ineffective.

***Declines in asset markets could adversely affect WNZL's operations or profitability***

Recent and future declines in New Zealand residential and commercial property markets have adversely affected, and could in the future adversely affect WNZL's operations and profitability.

Declining asset prices could also impact customers and counterparties and the value of security (including residential and commercial property) WNZL holds. This may impact its ability to recover amounts owing to it if customers or counterparties default. It may also affect WNZL impairment charges and provisions, in turn impacting WNZL financial performance and financial condition.

### ***A weakening of the real estate market in New Zealand could adversely affect WNZL***

Loans secured by residential mortgages are important to WNZL's business. As at 30 September 2020, housing loans represented approximately 62 per cent. of WNZL's gross loans and advances (30 September 2019: 61 per cent.).

A sustained decrease in property valuations in New Zealand could increase the losses WNZL may experience from its existing housing loans and decrease the amount of new housing loans WNZL is able to originate, which could materially and adversely affect WNZL's financial condition, financial performance and future performance.

### ***WNZL's business is substantially dependent on the New Zealand economy***

WNZL's revenues and earnings are dependent on economic activity and the level of financial services its customers require.

WNZL's performance is influenced by the level and cyclical nature of activity in New Zealand. These factors are in turn impacted by domestic and international economic conditions (including, at present, the COVID-19 pandemic).

A significant decrease in New Zealand housing valuations and commercial property valuations could adversely impact WNZL's lending activities because borrowers with loans in excess of their property value show a higher propensity to default. If defaults occur, WNZL's security may be eroded, causing higher credit losses. The demand for WNZL's home lending products may also decline due to changes in tax legislation (such as changes to tax rates, concessions or deductions), regulatory requirements or buyer concerns about decreases in values.

Adverse changes to economic and business conditions in New Zealand and other countries could also adversely affect the New Zealand economy and WNZL's customers.

Monetary policy can also significantly affect WNZL. Interest rate settings (including low or negative rates) and other actions taken by central banks (such as quantitative easing) may adversely affect its cost of funds, the value of its lending and investments and its margins. Monetary policies can also impact economic conditions of the jurisdictions that WNZL operates or obtain funding in. These policies could affect demand for its products and services and/or have a negative impact on WNZL's customers and counterparties, potentially increasing the risk that they will default. All these factors could adversely affect its business, prospects, financial performance or financial condition.

## **1.5 Risks related to WNZL's business activities and industry**

### ***An increase in defaults has adversely affected and could further adversely affect WNZL financial performance or financial condition***

Credit risk is the risk of financial loss where a customer or counterparty fails to meet their financial obligations to WNZL. It is a significant risk and arises primarily from WNZL's lending activities.

WNZL establishes provisions for credit impairment based on current information and WNZL's expectations. If economic conditions deteriorate beyond WNZL's expectations, some customers and/or counterparties could experience higher financial stress leading to an increase in defaults

and write-offs, and higher provisioning. Such events could adversely affect WNZL's liquidity, capital resources, financial performance or financial condition.

These risks are heightened by the COVID-19 pandemic which has negatively impacted economic activity and caused a range of customers to experience financial stress. The pandemic has seen many customers cease or substantially reduce their operations for an unknown period. In addition, individuals may have been laid off, been unable to work, or have fewer work hours. WNZL has received requests for assistance from affected businesses and consumers and has implemented, and will continue to implement, various initiatives to support them, including repayment deferrals and interest capitalisation. These initiatives, and any support that governments or regulators may in the future require banks to provide to customers impacted by the COVID-19 pandemic, may have a negative impact on WNZL's financial performance and may see WNZL assume greater risk than it would have under ordinary circumstances.

The long-term impact of the COVID-19 pandemic on customers and the magnitude of defaults or impairments is uncertain. For example, consumers may permanently decrease discretionary spending, which may increase the time it takes certain industries to recover.

Credit risk also arises from certain derivative, clearing and settlement contracts WNZL enters into, and from its dealings in, and holdings of, debt securities issued by other institutions, the financial conditions of which may be affected to varying degrees by economic conditions in global financial markets.

#### ***WNZL faces intense competition in all aspects of its business***

The financial services industry is highly competitive. WNZL competes with a range of firms, including retail and commercial banks, investment banks, other financial service companies, fintech companies and businesses in other industries with financial services aspirations. This includes those not subject to the same capital and regulatory requirements which may allow those competitors to operate more flexibly.

Emerging competitors are increasingly altering the competitive environment by adopting new business models or seeking to use new technologies to disrupt existing business models.

The competitive environment may also change as a result of increased scrutiny by regulators in the sector, and reforms such as 'Open Banking', which will stimulate competition, improve customer choice and likely give rise to increased competition from new and existing firms.

A failure to compete effectively in the various markets in which WNZL operates has and may continue to lead to a decline in WNZL margins or market share.

Deposits fund a significant portion of WNZL's balance sheet and have been a relatively stable source of funding. If WNZL is not able to successfully compete for deposits this could increase WNZL's cost of funding, lead WNZL to seek access to other types of funding or result in reducing WNZL's lending.

WNZL's ability to compete depends on its ability to offer products and services that meet evolving customer preferences. A failure to effectively respond to changes in customer preferences could see WNZL lose customers. This could adversely affect WNZL's business, prospects, financial performance or financial condition.

### ***WNZL could suffer losses due to market volatility***

WNZL is exposed to market risk due to its financial markets activities, its businesses, its defined benefit plan and through asset and liability management. Market risk is the risk of an adverse impact on earnings resulting from changes in market factors, such as foreign exchange rates, commodity prices, equity prices, and interest rates (including low or negative interest rates and any resulting pressure placed on WNZL's interest margins). This includes interest rate risk in the banking book due to a mismatch between the duration of assets and liabilities arising from the normal course of business activities.

Changes in markets could be driven by numerous developments. For example, the COVID-19 pandemic has resulted in significant market disruption and price volatility.

The July 2017 announcement by the FCA (which regulates the London Interbank Offered Rate ("LIBOR")) that it would not require panel banks to continue to submit rates for the calculation of the LIBOR benchmark after 2021 may also impact market volatility. Accordingly, the continuation of LIBOR in its current form will not be guaranteed after 2021, and it appears that LIBOR will be discontinued or modified by 2021. Any such developments or future changes in the administration of LIBOR or other market benchmarks could have adverse consequences to the return on, value of and market for securities and other instruments linked to any such benchmark, including securities or other instruments issued by WNZL.

If WNZL were to suffer substantial losses due to market volatility (including changes in the return on, value of or market for, securities or other instruments) it may adversely affect its business, prospects, liquidity, capital resources, financial performance or financial condition.

### ***WNZL has suffered and could suffer losses due to operational risks***

Operational risk includes, among other things, reputational risk, technology risk, model risk and outsourcing risk, as well as the risk of business disruption due to external events such as natural disasters, or outbreaks of communicable diseases (such as the COVID-19 pandemic), environmental hazard, damage to critical utilities, and targeted activism and protest activity. While WNZL has policies, processes and controls in place to manage these risks, these have not always been, or may not now be, effective.

Ineffective processes and controls have resulted in, and could result in, an adverse outcome for WNZL's customers. For example, a process breakdown could result in a customer not receiving a product on the terms, conditions, or pricing they agreed to, potentially leading to greater amounts of financial stress. Failed processes could also result in WNZL incurring losses because WNZL cannot enforce its contractual rights. This could occur because WNZL did not correctly document its rights or failed to perfect a security interest. These types of operational failures may also result in customer remediation and/or increased regulatory scrutiny and, depending on the nature of the failure, result in class action proceedings or a regulator commencing an investigation and/or taking other action.

WNZL could incur losses from fraudulent applications for loans or from incorrect or fraudulent payments and settlements. Fraudulent conduct can also arise from external parties seeking to access WNZL's systems or customer accounts. If systems, procedures and protocols for managing fraud fail, or are ineffective, they could lead to losses which could adversely affect WNZL's customers, business, prospects, reputation, financial performance or financial condition.

WNZL is also exposed to model risk, being the risk of loss arising from errors or inadequacies in data or a model, or in the control and use of a model.

***Poor data quality could adversely affect WNZL's business and operations***

Accurate, complete and reliable data, along with appropriate data control, retention and access frameworks and processes, is critical to WNZL's business. Data plays a key role in how WNZL provides products and services to customers, WNZL's systems, WNZL's risk management framework and WNZL's decision-making and strategic planning.

In some areas of WNZL's business, WNZL is affected by poor data quality. This has occurred and could arise in the future in a number of ways, including through inadequacies in systems, processes and policies, or the ineffective implementation of data management frameworks.

Poor data quality could lead to poor customer service, negative risk management outcomes, and deficiencies in credit systems and processes. Any deficiency in credit systems and processes could, in turn, have a negative impact on WNZL's decision making in the provision of credit and the terms on which it is provided.

Poor data or poor data retention can also affect WNZL's ability to meet its compliance obligations which could lead to a regulator taking action against WNZL. WNZL also needs accurate data for financial and other reporting.

Due to the importance of data, WNZL has incurred and will likely continue to incur substantial costs and devote significant effort to improving the quality of data and data frameworks and processes and remediating deficiencies where necessary. Some of WNZL's efforts to remediate data issues have been disrupted by the COVID-19 pandemic and if these are not fixed in a timely way could result in increased regulatory scrutiny, and lead regulators to require WNZL to remediate these issues within specific timeframes.

The consequences and effects arising from poor data quality or poor data retention could have an adverse impact on WNZL's business, operations, prospects, financial performance and/or financial condition.

***Breakdowns in processes and procedures have required, and could in the future require WNZL to undertake remediation activity***

Breakdowns in WNZL's processes and procedures have led to, and could in the future lead to, adverse outcomes for customers, employees or other third parties which WNZL is required to remediate.

WNZL has, on a number of occasions, incurred significant remediation costs (including compensation payments and costs of correcting the issue) and there is a risk that similar issues will arise in the future that will require remediation.

There are significant challenges and risks involved in customer remediation activities. WNZL's ability to investigate the underlying issue could be impeded if the issue is old and occurred beyond

WNZL's record retention period, or WNZL records are inadequate. It may also be difficult and take significant time to properly quantify and scope a remediation activity.

Determining how to compensate customers properly and fairly can also be complicated, involving numerous stakeholders. WNZL's proposed approach to a remediation may be affected by a number of events, such as affected customers commencing a class action, or a regulator requiring a remediation to be done in a specific way. These factors could delay WNZL in completing the remediation and may lead to a regulator commencing enforcement action against WNZL. It could result in increased reputational risk, and WNZL could be challenged by regulators, affected customers, the media and other stakeholders.

The significant challenges involved in scoping and executing remediations also create a risk that the remediation costs incurred will be higher than initially estimated. Further, delays in completing a remediation could result in WNZL incurring additional administration costs and making higher remediation payments to customers to reflect the time value of money.

If WNZL cannot effectively scope, quantify or implement a remediation activity in a timely way, there could be an adverse impact on WNZL's business, prospects, reputation, financial performance or financial condition.

***WNZL has suffered, and in the future could suffer, losses and be adversely affected by the failure to implement effective risk management***

WNZL's risk management framework has not always been, or may not in the future prove to be, effective.

This could be because the design of the framework is inadequate or that key risk management policies, controls and processes may be ineffective, due to inadequacies in their design, technology failures or because of poor implementation. The potential for these types of failings is heightened if WNZL does not have enough appropriately skilled, trained and qualified employees in key positions.

There are also inherent limitations with any risk management framework as risks may exist, or emerge in the future, that WNZL has not anticipated or identified and WNZL's controls may not be effective.

The risk management framework may also prove ineffective because of weaknesses in risk culture, which may result in risks and control weaknesses not being identified, escalated and acted upon. Recent analysis and reviews, in addition to regulatory feedback, have highlighted that the framework is not operating satisfactorily in a number of respects and needs to be improved. WNZL has a number of risks which sit outside its risk appetite or do not meet the expectations of regulators. Further, a deficiency in the design or operation of its remuneration structures could have a negative effect, potentially resulting in staff engaging in excessive risk taking behaviours.

As part of WNZL's risk management framework, WNZL measures and monitors risks against its risk appetite. If a risk is out-of-appetite, WNZL needs to take steps to bring this risk back into appetite in a timely way. However, WNZL may not always be able to achieve this within proposed timeframes. This may occur because, for example, WNZL experiences delays in enhancing its information technology systems or in recruiting sufficient numbers of appropriately trained staff

for required activities. It is also possible that due to external factors beyond WNZL's control, certain risks may be inherently outside of appetite for periods of time. WNZL is required to periodically review its risk management framework to determine if it remains appropriate.

If WNZL is unable to bring risks back into appetite, or if it is determined that the WNZL's risk management framework is no longer appropriate, WNZL may incur unexpected losses and be required to undertake considerable remedial work, including incurring substantial costs. The failure to remedy this situation could result in increased scrutiny from regulators, who could require (amongst other things) that WNZL hold additional capital or direct WNZL to spend money to enhance its risk management systems and controls. Inadequacies in addressing risks or in WNZL's risk management framework could also result in WNZL failing to meet a compliance obligation and/or financial losses.

If, as has occurred, any of WNZL's governance or risk management processes and procedures prove ineffective or inadequate or are otherwise not appropriately implemented, WNZL could be exposed to higher levels of risk than expected which may result in unexpected losses, breaches of compliance obligations and reputational damage which could adversely affect WNZL business, prospects, financial performance or financial condition.

***WNZL's failure to recruit and retain key executives, employees and Directors may have adverse effects on its business***

Key executives, employees and Directors play an integral role in the operation of WNZL's business and its pursuit of its strategic objectives. The unexpected departure of an individual in a key role, or WNZL's failure to recruit and retain appropriately skilled and qualified persons into these roles, could each have an adverse effect on WNZL's business, prospects, reputation, financial performance or financial condition.

***Climate change may have adverse effects on WNZL's business***

WNZL, its customers, external suppliers and communities in which WNZL operates, may be adversely affected by the physical risks of climate change, including increases in temperatures, sea levels, and the frequency and severity of adverse climatic events including fires, storms, floods and droughts. These effects, whether acute or chronic in nature, may directly impact WNZL and its customers through disruptions to business and economic activity or impacts on income and asset values.

Initiatives to mitigate or respond to climate change (transition risks) may impact market and asset prices, economic activity, and customer behaviour, particularly in emissions intensive industry sectors and geographies affected by these changes. Further, the failure or perceived failure to manage climate change appropriately may increase the risk that third parties commence litigation against WNZL, with this type of climate-related litigation becoming more common.

Failure to effectively manage and disclose these risks could adversely affect WNZL business, prospects, reputation, financial performance or financial condition.

***WNZL could suffer losses due to environmental factors or external events***

WNZL and its customers operate businesses and hold assets in a diverse range of geographic locations. Any significant environmental change or external event (including fire, storm, flood,



earthquake, outbreaks or pandemics of communicable diseases such as the COVID-19 pandemic, civil unrest or terrorism) in any of these locations has the potential to disrupt business activities, damage property and affect asset values and WNZL's ability to recover amounts owing to it. In addition, such an event could have an adverse impact on economic activity, consumer and investor confidence, or the levels of volatility in financial markets, all of which could adversely affect WNZL's business, prospects, financial performance or financial condition.

***Changes in critical accounting estimates and judgements could expose WNZL to losses***

WNZL is required to make estimates, assumptions and judgements when applying accounting policies and preparing its financial statements, particularly in connection with the calculation of provisions (including remediation and expected credit losses) and the determination of the fair value of financial instruments. A change in a critical accounting estimate, assumption and/or judgement resulting from new information or from changes in circumstances or experience could result in WNZL incurring losses greater than those anticipated or provided for.

If WNZL's actual and expected credit losses exceed those currently provided for, or if any of its other accounting judgements change in the future, there could be an adverse effect on WNZL's financial performance, financial condition and reputation. WNZL's financial performance and financial condition may also be impacted by changes to accounting standards or to generally accepted accounting principles.

***WNZL could suffer losses due to impairment of capitalised software, goodwill and other intangible assets that may adversely affect its business, operations and financial condition***

In certain circumstances WNZL may incur a reduction in the value of intangible assets. At its balance date WNZL's intangible assets principally relate to goodwill recognised on acquisition, capitalised software and other capitalised expenses.

WNZL is required to assess the recoverability of goodwill and other intangible asset balances at least annually or wherever an indicator of impairment exists. For this purpose WNZL uses a discounted cash flow calculation. Changes in the methodology or assumptions in calculations together with changes in expected cash flows, could materially impact this assessment. Estimates and assumptions used in assessing the useful life of an asset can also be affected by a range of factors including changes in strategy, changes in technology and regulatory requirements.

In the event that an asset is no longer in use, or its value has been reduced or that its estimated useful life has declined, an impairment will be recorded, adversely impacting WNZL's financial performance.

***Certain strategic decisions may have adverse effects on WNZL's business***

WNZL, at times, evaluates and implements strategic decisions and objectives including diversification, innovation, divestment or business expansion initiatives.

The expansion or integration of a new business, or entry into a new business, can be complex and costly.

There are also risks involved in failing to appropriately respond to changes in the business environment (including changes related to economic, geopolitical, regulatory, technological,

environmental, social and competitive factors). This could have a range of adverse effects on us, such as being unable to increase or maintain market share and placing pressure on margins and fees.

## **2. Risks affecting WSNZL**

WSNZL is a wholly-owned indirect subsidiary of WNZL and, as such, is affected by the same risk factors which affect WNZL. There are no additional risk factors solely affecting WSNZL.

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

### ***The secondary market generally***

Instruments may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Instruments easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Instruments that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Instruments would generally have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severe adverse effect on the market value of Instruments.

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

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

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.

## **4. Risks related to Instruments generally**

### ***Instruments subject to redemption for tax reasons***

The Issuer may, subject to certain conditions and in accordance with the Terms and Conditions of the Instruments, redeem all outstanding affected Instruments prior to their Maturity Date (as defined in the Terms and Conditions of the Instruments) at the Early Redemption Amount (Tax) (as defined in the Terms and Conditions of the Instruments), together with interest accrued (if any), if the Issuer or, as the case may be, WNZL has or will become obliged (or would have become or would become so obliged if demand was made under the WNZL Deed of Guarantee)

to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) (see Condition 6.2 (*Redemption for tax reasons*)). As a result, the financial position of investors may be negatively impacted.

### ***Modification and waiver***

The Terms and Conditions of the Instruments contain provisions for convening meetings of Holders of Instruments (or Holders passing written resolutions) to consider any matters affecting their interests generally. These provisions permit defined majorities to bind all Holders including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority.

### ***Change of law***

The Terms and Conditions of the Instruments are governed by the laws of England which shall be in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of England or administrative practice after the date of this Base Prospectus.

### ***LIBOR-linked instruments***

Interest rates and indices which are deemed "benchmarks" (including LIBOR and EURIBOR) are the subject of ongoing national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could adversely affect any Instruments linked to or referencing such a benchmark. The Benchmark Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU (which, for these purposes, includes the United Kingdom). It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, 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 non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmark Regulation could have a material impact on any Instruments linked to or referencing a benchmark, in particular, if the methodology or other terms of the 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 relevant benchmark.

More broadly, any of the international or national 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. It is not possible to predict with certainty whether, and to what extent, LIBOR and EURIBOR will continue to be supported going forwards. In particular, the FCA has indicated that it will cease to use its influence to persuade, or use its legal powers to compel, panel banks to contribute to LIBOR from the end of 2021. This may cause LIBOR and EURIBOR to perform differently than they have done in the past, and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects on certain benchmarks:

(i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark; or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Instruments linked to, referencing or otherwise dependent (in whole or in part) upon a benchmark.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmark Regulation reforms in making any investment decision with respect to the Instruments.

In particular, investors should be aware that if a benchmark rate were discontinued or otherwise unavailable, the rate of interest on Floating Rate Instruments which are linked to or which reference such benchmarks or the interest rate on Fixed Rate Instruments which are reset by reference to a mid-swap rate linked to such benchmarks will be determined for the relevant period by the fall-back provisions under Condition 5 (*Interest*) of the Terms and Conditions of the Instruments. These fallback arrangements may require or result in adjustments to the interest calculation provisions of the Terms and Conditions of the Instruments.

In certain situations, including the relevant benchmark ceasing to be administered or being discontinued or otherwise unavailable, the fallback arrangements will include the possibility that:

- (A) the relevant interest rate (or, as applicable, component thereof) could be set or, as the case may be, determined by reference to a successor rate or an alternative rate (as applicable); and
- (B) such successor rate or alternative rate (as applicable) may be adjusted (if required) by the relevant Independent Adviser or the Issuer (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors as a result of the replacement of the relevant benchmark (although such adjustments to the Instruments may not achieve this objective).

Any such changes may result in the Instruments performing differently (which may include payment of a lower interest rate) than if the original benchmark continued to apply.

No consent of the Holders shall be required in connection with effecting any successor rate or alternative rate (as applicable). 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 Instruments (or any other document) which are made in order to effect any successor rate or alternative rate (as applicable). Any such adjustment could have unexpected consequences and there can be no assurance that, due to the particular circumstances of each Holder, any such adjustment will be favourable to each Holder.

In certain circumstances, the ultimate fallback for a particular Interest Accrual Period (as defined in the Terms and Conditions of the Instruments), including where no successor rate or alternative rate (as applicable) is determined, may be that the interest rate for the last preceding Interest Accrual Period is used for the following Interest Accrual Period. This may result in the effective application of a fixed rate for any Floating Rate Instruments and any Fixed Rate Instruments for which the interest rate was due to be reset, being the Interest Rate which was applicable as at

the last preceding Interest Determination Date or as at the last preceding reset date (as applicable), or, if none, at the Interest Commencement Date. In addition, due to the uncertainty concerning the availability of successor rates and alternative rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such affected Instruments and could affect the ability of the Issuer to meet its obligations under the relevant Instruments or could have a material adverse effect on the value or liquidity of, and the amount payable under, such Instruments. Prospective investors should note that, in the case of affected Instruments, the relevant Independent Adviser or the Issuer (as applicable) will have discretion to adjust the relevant successor rate or alternative rate (as applicable) in the circumstances described above.

***The market continues to develop in relation to SONIA and SOFR as a reference rate for Floating Rate Instruments***

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 LIBOR. In particular, market participants and relevant working groups are exploring alternative reference rates based on SONIA and SOFR, including term reference rates (which seek to measure the market's forward expectation of an average 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 is the current preferred replacement rate to USD LIBOR. Publication of SOFR began on 3 April 2018 and it therefore has a very limited history. In addition, the future performance of SOFR cannot be predicted based on its historical performance. The level of SOFR over the term of Floating Rate Instruments 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 has been published by the Federal Reserve, such data inherently involves assumptions, estimates and approximations. Since the initial publication of SOFR, daily changes in the rate have, on occasion, been more volatile than daily changes in other benchmark or market rates, such as LIBOR, during corresponding periods. In addition, although changes in compounded SOFR generally are not expected to be as volatile as changes in daily levels of SOFR, the return on and value of Floating Rate Instruments linked to or which reference a SOFR rate may fluctuate more than floating rate debt securities that are linked to less volatile rates.

SONIA is currently published by the BoE and is intended to be a measure of the rate at which interest is paid on sterling short-term wholesale funds in circumstances where credit, liquidity and other risks are minimal. It is the current preferred replacement rate to GBP LIBOR. SONIA has been administered by the BoE since April 2016. On 23 April 2018, the methodology used to calculate the benchmark was reformed following several rounds of consultation. In this context, SONIA has a limited history. In addition, the future performance of SONIA cannot be predicted based on its historical performance. The level of SONIA over the term of Floating Rate Instruments may bear little or no relation to the historical level of SONIA. Prior observed patterns, if any, in the behaviour of market variables, such as correlations, may change in the future. Since the initial publication of SONIA, daily changes in the rate have, on occasion, been more volatile than daily changes in other benchmark or market rates, such as LIBOR, during corresponding periods. In

addition, although changes in compounded SONIA index generally are not expected to be as volatile as changes in daily levels of SONIA, the return on and value of Floating Rate Instruments linked to or which reference a SONIA rate may fluctuate more than floating rate debt securities that are linked to less volatile rates.

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 Instruments and used in relation to Floating Rate Instruments that reference a SONIA or SOFR rate issued under this Base Prospectus. The Issuer may in the future also issue Floating Rate Instruments referencing SONIA or SOFR that differ materially in terms of interest determination when compared with any previous Floating Rate Instruments referencing SONIA or SOFR under this Programme.

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 Instruments 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 will provide a rate which is economically equivalent for Holders). Neither the BoE nor the Federal Reserve has an obligation to consider the interests of Holders 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 Floating Rate Instruments and the trading prices of such Floating Rate Instruments. Furthermore, the Rate of Interest payable on Floating Rate Instruments which reference a SONIA rate or a SOFR rate is only capable of being determined at the end of the relevant Observation Period (as defined in the Terms and Conditions of the Instruments) and shortly prior to the relevant Interest Payment Date (as defined in the Terms and Conditions of the Instruments). It may therefore be difficult for investors in Floating Rate Instruments which reference a SONIA rate or a SOFR rate to reliably estimate the amount of interest which will be payable on such Floating Rate Instruments.

Further, in contrast to LIBOR-based Floating Rate Instruments, if Floating Rate Instruments referencing SONIA or SOFR become due and payable as a result of an Event of Default under Condition 9 (*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 Floating Rate Instruments shall only be determined on or immediately prior to the date on which the Floating Rate Instruments 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 Instruments linked to or which reference a SONIA rate or a SOFR rate.

Since SONIA and SOFR are relatively new market indices, Floating Rate Instruments 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 Floating Rate Instruments may be lower than those of the later issued Floating Rate Instruments 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 Floating Rate Instruments, the trading price of Floating Rate Instruments linked to or which reference a SONIA rate or a SOFR rate may be lower than those of Floating Rate Instruments linked to or which reference indices that are more widely used. Investors in such Floating Rate Instruments may not be able to sell such Floating Rate Instruments at all or may not be able to sell such Floating Rate Instruments 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 Instruments linked to or which reference a SONIA rate or a SOFR rate.

***The Interest Payment Dates for any series of Floating Rate Instruments for which Payment Delay is specified in the applicable Final Terms as the Observation Method for SOFR will be a number of business days (as may be specified in the applicable Final Terms) after the Interest Period End Date in respect of the relevant Interest Period***

The Interest Payment Dates for Floating Rate Instruments for which Payment Delay is specified as the Observation Method for SOFR in the applicable Final Terms (“**Payment Delay Instruments**”) will be a number of business days (as may be specified in the applicable Final Terms) after the Interest Period End Date in respect of the relevant Interest Period. This convention differs from the convention that has been used historically for floating rate debt securities linked to other benchmark or market rates, such as LIBOR, where interest typically has been paid on the last day of an interest period. As a result, holders of Payment Delay Instruments will receive payments of interest on a delayed basis as compared to other Floating Rate Instruments in which they may have previously invested.

***With respect to any Payment Delay Instruments, in determining the Rate of Interest in the final Interest Period, the SOFR rate for any day from, and including, the Cut-off Date to, but excluding, the Maturity Date (or the Optional Redemption Date (Put) or the Optional Redemption Date (Call), if and as applicable) will be the SOFR rate in respect of the relevant Cut-off Date***

For the final Interest Period with respect to any Payment Delay Instruments, the SOFR rate for any day from, and including, the Cut-off Date to, but excluding, the Maturity Date (or the Optional Redemption Date (Put) or the Optional Redemption Date (Call), if and as applicable) will be the SOFR rate in respect of the Cut-off Date. The Cut-off Date will be a date which is a number of business days prior to the Maturity Date (or the Optional Redemption Date (Put) or the Optional Redemption Date (Call), if and as applicable) as specified in the applicable Final Terms. Therefore holders of Payment Delay Instruments will not receive the benefit of any increase in the level of SOFR on any date subsequent to the Cut-Off Date, which could reduce the amount of interest that may be payable.

## **5. Risks related to the structure of a particular issue of Instruments**

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

### ***Instruments subject to optional redemption by the Issuer***

Where the relevant Final Terms specify Redemption at the option of the Issuer (Call) as being applicable, the Instruments may be redeemed at the Issuer's option in certain circumstances and accordingly the Issuer may choose to redeem the Instruments at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Instruments.

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

### ***Partly-paid Instruments***

The Issuer may issue Instruments where the subscription money is payable in more than one instalment. Failure to pay any subsequent instalment will entitle the Issuer to forfeit the Instruments with effect from the date previously notified to the investor by the Issuer and could result in an investor losing all of its investment.

### ***Fixed/Floating Rate Instruments***

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

### ***Fixed Rate Reset Instruments***

Fixed Rate Reset Instruments will initially earn interest at the Initial Rate of Interest (as defined in the Terms and Conditions of the Instruments) until (but excluding) the first Fixed Rate Reset Date (as defined in the Terms and Conditions of the Instruments). On the first Fixed Rate Reset Date, however, and on each Fixed Rate Reset Date (if any) thereafter, the interest rate will be reset to (i) a different fixed rate of interest per annum or (ii) a rate per annum equal to the sum of the applicable Mid-Market Swap Rate (as defined in the Terms and Conditions of the Instruments) and the Mid-Swap Re-Offer Spread (as defined in the Terms and Conditions of the Instruments) (each such rate a "**Subsequent Reset Rate**"). The Subsequent Reset Rate for any Reset Period



could be less than the Initial Rate of Interest or the Reset Rate for prior Reset Periods and could affect the market value of an investment in the Fixed Rate Reset Instruments.

### ***Denominations***

In relation to any issue of Instruments which have a denomination consisting of the minimum denomination plus a higher integral multiple of another smaller amount, it is possible that the Instruments may be traded in amounts in excess of the minimum denomination that are not integral multiples of the minimum denomination. In such a case a Holder who, as a result of trading such amounts, holds a principal amount of less than the minimum denomination may not receive a Definitive Instrument in respect of such holding (should Definitive Instruments be printed) and would need to purchase an additional principal amount of Instruments such that its holding amounts to the minimum denomination.

If Definitive Instruments are issued, Holders should be aware that Definitive Instruments which have a denomination that is not an integral multiple of the minimum denomination might be illiquid and difficult to trade.

***There can be no assurance by the Issuer, WNZL, any Dealer or any manager of any issuance of Instruments under the Programme that the use of an amount equal to the net proceeds from the offer and sale of any Green Bonds will be suitable for the investment criteria of an investor***

Prospective investors in any Green Bonds (as defined in *Use of Proceeds* below) should refer to the information set forth under *Use of Proceeds* and make such other investigation such investor deems necessary in order to determine the suitability of an investment in the Green Bonds. The use of an amount equal to the net proceeds from the offer and sale of any Green Bonds to finance or refinance any Eligible Asset (as defined in "Use of Proceeds" below) may not satisfy, either in whole or in part, any present or future investor expectations or requirements with respect to any investment criteria or guidelines with which that investor or its investments are required to comply, whether by any present or future applicable law or regulation or by its own governing documents or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, that are the subject of or related to the relevant Eligible Assets. Furthermore, there is currently no clear definition (legal, regulatory or otherwise) of, or market consensus as to what constitutes, a "green", "environmentally sustainable", "social", "climate change solution" or equivalently-labelled project or as to the attributes that are required for a particular project to be defined as such. A clear definition or consensus may not develop over time. WNZL has a Green Bond Framework relating to its commitment to invest in "climate change solutions" and equivalently-labelled projects, however, WNZL may revise or terminate that framework at any time. Accordingly, projects or uses that are the subject of, or related to, any of the Eligible Assets may not meet any or all investor expectations with respect to "green", "environmentally sustainable", "social", "climate change solution" or other equivalently-labelled performance objectives. Adverse environmental, social and/or other impacts may occur during the implementation of the projects or uses that are the subject of, or related to, any Eligible Assets or the projects or uses may become controversial or criticized by activist groups or other stakeholders.

Pending allocation of the net proceeds from the offer and sale of any Green Bonds to finance or refinance, in whole or in part, one or more Eligible Assets, or in the event that the value of all available Eligible Assets falls below the amount of the net proceeds from the offer and sale of the

Green Bonds, WNZL will invest an amount equal to the balance of those net proceeds in overnight or otherwise short-term financial instruments. The investment of those net proceeds may not satisfy, either in whole or in part, any present or future investor expectations or requirements with respect to any investment criteria or guidelines with which that investor or its investments are required to comply, whether by any present or future applicable law or regulation or by its own governing documents or investment portfolio mandates.

***Any Green Bonds may not comply, or continue to comply, with the ICMA Green Bond Principles (as defined in "Use of Proceeds") and the Issuer has no contractual obligation to the holders of any Green Bonds to maintain such compliance***

No assurance or representation can be given by the Issuer, WNZL, any Dealer or any manager of any issuance of Instruments under the Programme as to the ability of any Green Bonds to comply, or to continue to comply, with the ICMA Green Bond Principles (including in circumstances where WNZL is unable to find any Eligible Assets or the dollar value of all available Eligible Assets falls below the amount of the net proceeds from the offer and sale of the Green Bonds), or as to the suitability or reliability of any report provided by a third-party assurance provider.

Furthermore, neither the Issuer nor WNZL are contractually obliged to the holders of any Green Bonds to use an amount equal to the net proceeds to finance or refinance, in whole or in part, one or more Eligible Assets or to comply with the ICMA Green Bond Principles, nor are they under any contractual obligation to obtain or provide any reports from an external assurance provider or to provide any other reports as described under "Use of Proceeds". Any failure to comply with the ICMA Green Bond Principles, including a failure to use an amount equal to the net proceeds from the offer and sale of any Green Bonds to finance or refinance Eligible Assets, to obtain and provide annual reports from an external assurance provider or to provide any periodic reports will not constitute an Event of Default under any Green Bonds. Any such failure may have an adverse effect on the value of the Green Bonds or result in adverse consequences for investors, particularly those investors with portfolio mandates to invest in instruments the proceeds of which are to be used for a particular purpose.

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Base Prospectus and which have been approved by the FCA or filed with it:

1. the non-consolidated audited annual financial statements (including the auditors' report thereon and notes thereto) in respect of the years ended 30 September 2019 and 30 September 2020 of WSNZL;
2. the consolidated audited annual financial statements (including the auditors' report thereon and notes thereto) in respect of the years ended 30 September 2019 and 30 September 2020 of WNZL, which appear on pages 8 to 121 (inclusive) of WNZL's Disclosure Statement for the year ended 30 September 2019 and pages 8 to 121 (inclusive) of WNZL's Disclosure Statement for the year ended 30 September 2020 respectively;
3. the "Terms and Conditions of the Instruments" section on pages 15 to 40 (inclusive) of the base prospectus dated 24 October 2006 with Westpac Securities NZ Limited as issuer and Westpac New Zealand Limited as guarantor;
4. the "Terms and Conditions of the Instruments" section on pages 16 to 42 (inclusive) of the base prospectus dated 4 December 2007 with Westpac Securities NZ Limited as issuer and Westpac New Zealand Limited as guarantor, the "Terms and Conditions of the Instruments" section on pages 17 to 43 (inclusive) of the base prospectus dated 19 December 2008 with Westpac Securities NZ Limited as issuer and Westpac New Zealand Limited as guarantor;
5. the "Terms and Conditions of the Instruments" section on pages 21 to 47 (inclusive) of the base prospectus dated 22 December 2009 with Westpac Securities NZ Limited as issuer and Westpac New Zealand Limited as guarantor;
6. the "Terms and Conditions of the Instruments" section on pages 19 to 45 (inclusive) of the base prospectus dated 7 December 2010 with Westpac Securities NZ Limited as issuer and Westpac New Zealand Limited as guarantor;
7. the "Terms and Conditions of the Instruments" section on pages 22 to 49 (inclusive) of the base prospectus dated 14 December 2011 with Westpac Securities NZ Limited as issuer and Westpac New Zealand Limited as guarantor;
8. the "Terms and Conditions of the Instruments" section on pages 34 to 63 (inclusive) of the base prospectus dated 19 December 2012 with Westpac Securities NZ Limited as Issuer and Westpac New Zealand Limited as guarantor;
9. the "Terms and Conditions of the Instruments" section on pages 42 to 77 (inclusive) of the base prospectus dated 11 December 2013 with Westpac Securities NZ Limited as issuer and Westpac New Zealand Limited as guarantor;

10. the “Terms and Conditions of the Instruments” section on pages 41 to 87 (inclusive) of the base prospectus dated 16 December 2014 with Westpac Securities NZ Limited as issuer and Westpac New Zealand Limited as guarantor;
11. the “Terms and Conditions of the Instruments” section on pages 42 to 89 (inclusive) of the base prospectus dated 11 December 2015 with Westpac Securities NZ Limited as issuer and Westpac New Zealand Limited as guarantor;
12. the “Terms and Conditions of the Instruments” section on pages 42 to 87 (inclusive) of the base prospectus dated 13 December 2016 with Westpac Securities NZ Limited as issuer and Westpac New Zealand Limited as guarantor;
13. the “Terms and Conditions of the Instruments” section on pages 45 to 90 (inclusive) of the base prospectus dated 11 December 2017 with Westpac Securities NZ Limited as issuer and Westpac New Zealand Limited as guarantor;
14. the “Terms and Conditions of the Instruments” section on pages 52 to 105 (inclusive) of the base prospectus dated 18 December 2018 with Westpac Securities NZ Limited as issuer and Westpac New Zealand Limited as guarantor; and
15. the “Terms and Conditions of the Instruments” section on pages 37 to 99 (inclusive) of the base prospectus dated 11 December 2019 with Westpac Securities NZ Limited as issuer and Westpac New Zealand Limited as guarantor.

Such documents shall be deemed to be incorporated in, and form part of, this Base Prospectus.

Any information contained in a document incorporated by reference herein which is not incorporated in, and does not form part of, this Base Prospectus is either not relevant for investors or is contained elsewhere in this Base Prospectus. For the purposes of the Prospectus Regulation any information contained in documents incorporated by reference by documents which are themselves incorporated by reference in this Base Prospectus, shall not form part of this Base Prospectus.

For as long as the Programme remains in effect or any Instruments are outstanding, copies of the above documents incorporated by reference herein may be inspected during normal business hours at the office of the Fiscal Agent and Principal Registrar (or the other office(s) of the Paying Agent(s) in the United Kingdom) specified on page 206 of this Base Prospectus, at the registered head office of WNZL and at WSNZL’s office at Camomile Court, 23 Camomile Street, London EC3A 7LL, United Kingdom. In addition, the above documents incorporated by reference herein may be viewed electronically at <http://www.westpac.com.au/about/westpac/investor-centre/fixed-income-investors/debt-programs/>.

The Issuer has undertaken, in connection with the listing of the Instruments (other than the PR Exempt Instruments) on the London Stock Exchange’s Regulated Market or on any other listing authority or stock exchange in a Member State, that upon becoming aware that there has been a significant change affecting any matter contained in this Base Prospectus or a significant new factor or matter has arisen, the inclusion of information in respect of which would have been required to be in this Base Prospectus if it had arisen before this Base Prospectus was issued, or if a material mistake or material inaccuracy relating to the information in this Base Prospectus capable of affecting the assessment of the Instruments (other than the PR Exempt Instruments)

has arisen between the Programme Date and the time when trading of any Tranche of Instruments (other than the PR Exempt Instruments) begins on a regulated market, the Issuer will publish a supplementary prospectus.

Any statement contained herein or in a document and/or information 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 in any such subsequent document and/or information which is incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise), provided that such modifying or superseding statement is made by way of supplement to this Base Prospectus pursuant to Article 23 of the Prospectus Regulation.

## TERMS AND CONDITIONS OF THE INSTRUMENTS

*The following are the Terms and Conditions of the Instruments which, as supplemented in relation to any Instruments by the relevant Final Terms, will be applicable to each Series of Instruments:*

The debt instruments (the “**Instruments**”) are issued pursuant to and in accordance with an amended and restated issue and paying agency agreement (as amended, supplemented or replaced, the “**Issue and Paying Agency Agreement**”) dated 11 December 2013, as supplemented by way of a supplemental issue and paying agency agreement on 11 December 2015, and made between Westpac Securities NZ Limited acting through its London branch (the “**Issuer**”), Westpac New Zealand Limited (“**WNZL**”), The Bank of New York Mellon, London Branch in its capacities as fiscal agent (the “**Fiscal Agent**”, which expression shall include any successor to The Bank of New York Mellon, London Branch in its capacity as such) and as principal registrar (the “**Principal Registrar**”, which expression shall include any successor to The Bank of New York Mellon, London Branch in its capacity as such), The Bank of New York Mellon S.A./N.V., Luxembourg Branch. in its capacities as first alternative registrar and Luxembourg paying agent (the “**First Alternative Registrar**” and the “**Luxembourg Paying Agent**”, which expressions shall include any successors to The Bank of New York Mellon S.A./N.V., Luxembourg Branch in its capacities as such), The Bank of New York Mellon in its capacity as second alternative registrar (the “**Second Alternative Registrar**”, which expression shall include any successor to The Bank of New York Mellon in its capacity as such), The Bank of New York Mellon, Hong Kong Branch in its capacities as CMU paying agent and as CMU lodging agent, as CMU registrar and CMU transfer agent (the “**CMU Paying Agent**” and the “**CMU Lodging Agent**”, the “**CMU Registrar**” and the “**CMU Transfer Agent**” which expressions shall include any successors to The Bank of New York Mellon, Hong Kong Branch in its capacities as such) and the other paying agents named therein (together with the CMU Paying Agent, the “**Paying Agents**”, which expression shall include the Fiscal Agent and any substitute or additional paying agents appointed in accordance with the Issue and Paying Agency Agreement).

The Instruments have the benefit of an amended and restated deed of covenant (as amended, supplemented or replaced, the “**Deed of Covenant**”) dated 11 December 2015 executed by the Issuer in relation to the Instruments. WNZL has, for the benefit of the Holders from time to time of the Instruments, executed and delivered an amended and restated deed of guarantee dated 11 December 2015 (the “**WNZL Deed of Guarantee**”) under which it has guaranteed the due and punctual payment of all amounts due under the Instruments and the Deed of Covenant as and when the same become due and payable. Copies of the Issue and Paying Agency Agreement, the WNZL Deed of Guarantee and the Deed of Covenant are available for inspection during normal business hours at the Specified Office of each of the Paying Agents, the Principal Registrar, the First Alternative Registrar and the Second Alternative Registrar. All Persons from time to time entitled to the benefit of obligations under any Instruments shall be deemed to have notice of, and shall be bound by, all of the provisions of the Issue and Paying Agency Agreement, the WNZL Deed of Guarantee and the Deed of Covenant insofar as they relate to the relevant Instruments.

The Instruments are issued in series (each, a “**Series**”), and each Series may comprise one or more tranches (“**Tranches**” and each, a “**Tranche**”) of Instruments. Each Tranche will be the subject of the final terms (each, the “**Final Terms**”), a copy of which will be available for inspection during normal business hours at the Specified Office of the Fiscal Agent and/or, as the case may be, the Registrar (as defined in Condition 3.2). In the case of a Tranche of Instruments in relation to which application has not been made for listing and/or trading on or by any competent listing

authority, and/or stock exchange, copies of the Final Terms will be available for inspection only by a Holder (as defined in Condition 3.1 and Condition 3.2, as applicable) of or, as the case may be, a Relevant Account Holder (as defined in the Deed of Covenant) in respect of, such Instruments.

References in these Terms and Conditions to Instruments are to Instruments of the relevant Series only and any references to Coupons (as defined in Condition 2.6) and Receipts (as defined in Condition 2.7) are to Coupons and Receipts relating to Instruments of the relevant Series.

References in these Terms and Conditions to the Final Terms are to the Final Terms prepared in relation to the Instruments of the relevant Tranche or Series and endorsed on or attached to such Instruments.

In respect of any Instruments, references herein to these Terms and Conditions are to these terms and conditions as supplemented by the Final Terms.

## 1. Interpretation

1.1 *Definitions:* In these Terms and Conditions the following expressions have the following meanings:

“**Accrual Feature**” means the result of the fraction of which the numerator is the number of days in the relevant Interest Accrual Period on which interest will be deemed to have accrued by reference to the following formula:

“N” divided by “D” where:

“N” is the number of calendar days in the relevant Observation Period where the Applicable Swap Rate is within the thresholds specified in the Final Terms;

“D” is the total number of calendar days in the relevant Observation Period;

“**Applicable Swap Rate**” means the USD-ISDA-Swap Rate or such other rate set out in the ISDA Definitions and specified in the relevant Final Terms;

“**USD-ISDA-Swap Rate**” is the rate determined in accordance with the ISDA Definitions, with the following modifications:

- (i) the Designated Maturity (as defined in the ISDA Definitions) is, in respect of each Interest Accrual Period, a period specified for such Interest Accrual Period in the relevant Final Terms; and
- (ii) the words “Reset Date” shall be replaced with the words “Calculation Date”, the words “on the day that is two U.S. Government Securities Business Days preceding that Reset Date” shall be replaced with “on that Calculation Date”, and the words “as the applicable Floating Rate Option” shall be replaced with “as defined in the ISDA Definitions”;

“**Calculation Date**” means for each calendar day in the relevant Observation Period, that calendar day, provided that, if that calendar day is not a New York and London Banking

Day (as defined below), the relevant Calculation Date will be the immediately preceding New York and London Banking Day (as defined below);

**“Observation Period”** means the period specified as such in the relevant Final Terms;

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

In the event that no quotations are available pursuant to USD-ISDA-Swap Rate with the relevant Designated Maturity, including the fall back option of “USD-CMS-Reference Banks” (as defined in the ISDA Definitions), or the Calculation Agent determines that no suitable Reference Bank (as defined in the ISDA Definitions) which is prepared to quote is available, then the Issuer or Independent Adviser appointed by the Issuer shall reasonably determine the applicable rate (or method for determining such rate) in its sole and absolute discretion, taking into consideration all available information that it in good faith and in a commercially reasonable manner deems appropriate;

**“Accrual Yield”** has the meaning given in the Final Terms;

**“Additional Business Centre(s)”** means the city or cities specified as such in the relevant Final Terms;

**“Adjustment Spread”** means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which is required to be applied to a Successor Reference Rate or an Alternative Reference Rate (as applicable) as a result of the replacement of the Reference Rate with such Successor Reference Rate or Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Reference Rate, is formally recommended in relation to the replacement of the Reference Rate with such Successor Reference Rate by any Relevant Nominating Body; or
- (ii) in the case of a Successor Reference Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the relevant Independent Adviser or the Issuer (as applicable) determines (acting in good faith and in a commercially reasonable manner) is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by such Successor Reference Rate or Alternative Reference Rate (as applicable); or
- (iii) if no such customary market usage is recognised or acknowledged, the relevant Independent Adviser or the Issuer (as applicable) determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Reference Rate or the Alternative Reference Rate (as applicable); or



- (iv) if no such industry standard is recognised or acknowledged, the relevant Independent Adviser or the Issuer (as applicable) in its discretion determines (acting in good faith and in a commercially reasonable manner) to be appropriate;

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

**“ARRC Benchmark Replacement”** means:

- (i) where the Reference Rate is USD LIBOR, the Interpolated Benchmark plus the Benchmark Replacement Adjustment; or
- (ii) where the Reference Rate is USD LIBOR, and the Issuer or the Independent Adviser cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, or where the Reference Rate is SOFR, the first alternative set forth in the order below that can be determined by the Issuer or the Independent Adviser as of the Benchmark Replacement Date:
  - (a) (where the Reference Rate is USD LIBOR only) the sum of (x) Term SOFR and (y) the Benchmark Replacement Adjustment;
  - (b) (where the Reference Rate is USD LIBOR only) the sum of (x) Compounded SOFR and (y) the Benchmark Replacement Adjustment;
  - (c) the sum of (x) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the Reference Rate where applicable for the applicable Corresponding Tenor and (y) where applicable the Benchmark Replacement Adjustment (if any);
  - (d) the sum of (x) the ISDA Fallback Rate and (y) the Benchmark Replacement Adjustment (if any); or
  - (e) the sum of (x) the alternate rate of interest selected by the Issuer or the Independent Adviser (acting in good faith and in a commercially reasonable manner) as the replacement for the then-current Reference Rate for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Reference Rate for floating rate notes denominated in USD at such time and (y) the Benchmark Replacement Adjustment (if any);

**“Benchmark Event”** means, in respect of any Reference Rate:

- (i) the relevant Reference Rate ceasing to exist or be published for a period of at least five Business Days; or
- (ii) a public statement by the administrator of the relevant Reference Rate that it has ceased or it will, by a specified date within the following six months (or, if later, the next Interest Determination Date), cease publishing the relevant Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the relevant Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the relevant Reference Rate, the central bank for the currency of the Reference Rate, an insolvency official with jurisdiction over the administrator for the Reference Rate, a resolution authority with jurisdiction over the administrator for the Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, that the relevant Reference Rate has been or will, by a specified date within the following six months (or, if later, the next Interest Determination Date), be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the relevant Reference Rate that means the relevant Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months (or, if later, the next Interest Determination Date); or
- (v) it has become unlawful for any Paying Agent, the Issuer or any other party to calculate any payments due to be made to any holder of the Instruments using the relevant Reference Rate; or
- (vi) a public statement or publication of information by the supervisor of the administrator of the relevant Reference Rate announcing that the Reference Rate is no longer representative.

**“Benchmark Replacement Adjustment”** means the first alternative set forth in the order below that can be determined by the Issuer or the Independent Adviser as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or the Independent Adviser acting in good faith and in a commercially reasonable manner and giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current benchmark with

the applicable Unadjusted Benchmark Replacement for floating rate notes denominated in U.S dollars at such time;

**“Benchmark Replacement Conforming Changes”** means, with respect to any ARRC Benchmark Replacement, any technical, administrative or operational changes (including without limitation changes to the definition of "Interest Period" or "Interest Accrual Period", determination dates, timing and frequency of determining rates and making payments of interest, rounding of amounts, or tenors, and other administrative matters) that the Issuer or the Independent Adviser decides (acting in good faith and in a commercially reasonable manner) may be appropriate to reflect the adoption of such ARRC Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or the Independent Adviser decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or the Independent Adviser determines that no market practice for use of the ARRC Benchmark Replacement exists, in such other manner as the Issuer or the Independent Adviser determines is reasonably necessary);

**“Benchmark Replacement Date”** means the earliest to occur of the following events with respect to the Reference Rate (including, in the case of Compounded Daily SOFR, Weighted Average SOFR or Compounded Index SOFR, the daily published component used in the calculation thereof):

- (i) in the case of paragraph (i) or (ii) of the definition of "Benchmark Transition Event", the later of (x) the date of the public statement or publication of information referenced therein and (y) the date on which the administrator of the Reference Rate permanently or indefinitely ceases to provide the Reference Rate (or such component thereof); or
- (ii) in the case of paragraph (iii) of the definition of "Benchmark Transition Event", the effective date as of which the Reference Rate (or such component thereof) will no longer be representative, which may be the date of the public statement or publication of information referenced in the definition of Benchmark Transition Event or another date

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

**“Benchmark Transition Event”** means the occurrence of one or more of the following events with respect to the Reference Rate (including, in the case of Compounded Daily SOFR, Weighted Average SOFR or Compounded Index SOFR, the daily published component used in the calculation thereof):

- (i) a public statement or publication of information by or on behalf of the administrator of the Reference Rate (or such component thereof) announcing that such administrator has ceased or will cease to provide the Reference Rate (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Reference Rate (or such component thereof);

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

**“Broken Amount”** has the meaning given in the Final Terms;

**“Business Day”** means:

- (i) for the purposes of Condition 7A.6 (*Payments on business days*) only, a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; or
- (ii) in relation to any sum payable, either:
  - (a) where such sum is payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Principal Financial Centre and any Additional Business Centre(s) specified in the relevant Final Terms; or
  - (b) where such sum is payable in euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Principal Financial Centre, each (if any) Additional Business Centre(s) specified in the relevant Final Terms and a TARGET Settlement Day;
- (iii) for all other purposes, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Principal Financial Centre and any Additional Business Centre(s) specified in the relevant Final Terms;

**“Business Day Convention”**, in relation to any particular date, has the meaning given in the Final Terms and, in this context, the following expressions shall have the following meanings:

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

**“Calculation Agent”** means the Fiscal Agent or such other Person specified in the Final Terms as the party responsible for calculating the Interest Rate(s) and Interest Amount(s) and/or such other amount(s) as may be specified in the Final Terms;

**“Calculation Amount”** has the meaning given in the relevant Final Terms or, where no such amount is specified, means (i) if there is only one Denomination, the Denomination of the relevant Instruments, and (ii) if there are several Denominations, the highest common factor of these Denominations. Note there must be a common factor in the case of two or more Denominations;

**“Compounded SOFR”** means the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which, for example, may be compounded in arrears with a lookback and/or suspension and/or backward-shifted observation period as a mechanism to determine the amount of interest payable prior to the end of each Interest Period) being established

by the Issuer or the Independent Adviser in accordance with the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR; provided that, if, and to the extent that, the Issuer or the Independent Adviser determines that Compounded SOFR cannot be determined in accordance with the foregoing then the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer or the Independent Adviser acting in good faith and in a commercially reasonable manner and giving due consideration to any industry-accepted market practice for floating rate notes denominated in U.S. dollars at such time;

**“Corresponding Tenor”** with respect to an ARRC Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the Reference Rate;

**“Coupon Sheet”** means, in respect of an Instrument, a coupon sheet relating to the Instrument;

**“Coupon Switch Option”** has the meaning given in the Final Terms;

**“Coupon Switch Option Date”** has the meaning given in the Final Terms;

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

- (i) if **“Actual/Actual (ICMA)”** is so specified, means:
  - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year; and
  - (b) where the Calculation Period is longer than one Regular Period, the sum of:
    - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the number of days in such Regular Period and (2) the number of Regular Periods in any year; and
    - (B) the number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year;
- (ii) if **“Actual/365”** or **“Actual/Actual (ISDA)”** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and

(B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

- (iii) if “Actual/365 (Fixed)” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iv) if “Actual/360” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (v) if “30/360” is so specified, means the number of days in such Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y^2 - Y^1)] + [30x(M^2 - M^1)] + (D^2 - D^1)}{360}$$

where:

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

“Y2” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

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

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

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

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

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

$$\text{Day Count Fraction} = \frac{[360x(Y^2 - Y^1)] + [30x(M^2 - M^1)] + (D^2 - D^1)}{360}$$

where:

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

“Y2” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

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

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

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

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

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

$$\text{Day Count Fraction} = \frac{[360x(Y^2 - Y^1)] + [30x(M^2 - M^1)] + (D^2 - D^1)}{360}$$

where:

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

“Y2” is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls;

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

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

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

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

“**Denomination**” has the meaning given in the relevant Final Terms;

“**Early Redemption Amount (Tax)**” means, in respect of any Instrument, its principal amount or such other amount as may be specified in the relevant Final Terms;

“**EURIBOR**” means the Euro Interbank Offered Rate;



**“Extraordinary Resolution”** has the meaning given in the Issue and Paying Agency Agreement;

**“FATCA”** means sections 1471 to 1474 of the *United States Internal Revenue Code of 1986*, as amended, including any regulations or official interpretations issued, agreements (including, without limitation, intergovernmental agreements) entered into or non-U.S. laws enacted with respect thereto;

**“Final Redemption Amount”** means, in respect of any Instrument, its principal amount or such other amount as may be specified in the Final Terms;

**“Fixed Coupon Amount”** has the meaning given in the Final Terms;

**“Fixed Rate Reset Date”** has the meaning given in the relevant Final Terms;

**“Independent Adviser”** means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets;

**“Initial Rate of Interest”** has the meaning given in the relevant Final Terms;

**“Interest Accrual Period”** means, in respect of an Interest Period, each successive period beginning on and including an Interest Period End Date and ending on but excluding the next succeeding Interest Period End Date during that Interest Period provided always that the first Interest Accrual Period shall commence on and include the Interest Commencement Date and the final Interest Accrual Period shall end on but exclude the date of redemption of the Instruments;

**“Interest Amount”** means, in relation to an Instrument and an Interest Period, the amount of interest payable per Calculation Amount in respect of that Instrument for that Interest Period;

**“Interest Commencement Date”** means the Issue Date of the Instruments or such other date as may be specified as the Interest Commencement Date in the Final Terms;

**“Interest Determination Date”** has the meaning given in the Final Terms;

**“Interest Payment Date”** means the date or dates specified as such in the Final Terms and, if a Business Day Convention is specified in the Final Terms:

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

**“Interest Period”** means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

**“Interest Period End Date”** means the date or dates specified as such in the Final Terms and, if a Business Day Convention is specified in the Final Terms, as the same may be adjusted in accordance with the relevant Business Day Convention or, if the Business Day Convention is the FRN Convention and an interval of a number of calendar months is specified in the Final Terms as the Interest Accrual Period, such dates as may occur in accordance with the FRN Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Period End Date) or the previous Interest Period End Date (in any other case) or, if none of the foregoing is specified in the Final Terms, the date or each of the dates which correspond with the Interest Payment Date(s) in respect of the Instruments;

**“Interest Rate”** or **“Rate of Interest”** means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Instruments specified in the Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the Final Terms;

**“Interpolated Benchmark”** with respect to the Reference Rate means the rate determined for the Corresponding Tenor by interpolating on a linear basis between:

- (i) the Reference Rate for the longest period for which the Reference Rate is available that is shorter than the Corresponding Tenor; and
- (ii) the Reference Rate for the shortest period for which the Reference Rate is available that is longer than the Corresponding Tenor;

**“ISDA Definitions”** means the 2006 ISDA Definitions as amended and updated as at the date of issue of the first Tranche of the Instruments of the relevant Series (as specified in the Final Terms) and as published by the International Swaps and Derivatives Association, Inc.;

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

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

**“Issue Date”** has the meaning given in the Final Terms;

**“LIBOR”** means the London Interbank Offered Rate;

**“local banking day”** means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for business (including dealings in foreign exchange

and foreign currency deposits) in the place of presentation of the relevant Instrument or, as the case may be, Coupon;

**“Margin”** has the meaning given in the Final Terms;

**“Maturity Date”** means the date specified as such in the provisions of the Final Terms and, if a Business Day Convention is specified in the Final Terms, as the same may be adjusted in accordance with the relevant Business Day Convention;

**“Maximum Interest Rate”** has the meaning given in the Final Terms;

**“Maximum Redemption Amount”** has the meaning given in the Final Terms;

**“Mid-Market Swap Rate”** means for any Reset Period the arithmetic 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 Instruments during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency 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 Fixed Rate 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 Benchmark Rate for the Mid-Swap Maturity (as specified in the applicable Final Terms) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

**“Mid-Swap Benchmark Rate”** means EURIBOR if the Specified Currency is euro, LIBOR if the Specified Currency is Sterling or the interbank offered rate for the Specified Currency if the Specified Currency is neither euro nor Sterling;

**“Mid-Swap Maturity”** has the meaning given in the relevant Final Terms;

**“Mid-Swap Re-Offer Spread”** has the meaning given in the relevant Final Terms;

**“Minimum Interest Rate”** has the meaning given in the relevant Final Terms;

**“Minimum Redemption Amount”** has the meaning given in the relevant Final Terms;

**“Optional Redemption Amount (Call)”** means, in respect of any Instrument, its principal amount or such other amount as may be specified in the Final Terms;

**“Optional Redemption Amount (Put)”** means, in respect of any Instrument, its principal amount or such other amount as may be specified in the Final Terms;

**“Optional Redemption Date (Call)”** has the meaning given in the Final Terms;

**“Optional Redemption Date (Put)”** has the meaning given in the Final Terms;

**“Ordinary Resolution”** has the meaning given in the Issue and Paying Agency Agreement;

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

**“Principal Financial Centre”** means, in relation to any currency, the principal financial centre for that currency provided, however, that in relation to euro, it means the principal financial centre of such member state of the European Union as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

**“Put Option Notice”** means a notice which must be delivered to a Paying Agent by any Holder wanting to exercise a right to redeem an Instrument at the option of the Holder;

**“Put Option Receipt”** means a receipt issued by a Paying Agent to a depositing Holder upon deposit of an Instrument with such Paying Agent by any Holder wanting to exercise a right to redeem an Instrument at the option of the Holder;

**“Record Date”** has the meaning given in Condition 7B.3;

**“Redemption Amount”** means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount or the final Instalment Amount;

**“Reference Banks”** has the meaning given in the Final Terms or, if none is specified, four major banks selected by the Issuer or the Independent Adviser appointed by the Issuer in the market that is most closely connected with the Reference Rate or Reset Reference Rate, as applicable;

**“Reference Price”** has the meaning given in the Final Terms;

**“Reference Rate”** means either “USD LIBOR”, “GBP LIBOR”, “CAD LIBOR”, “EURIBOR”, “CHF LIBOR”, “JPY LIBOR”, “SIBOR”, “SOFR”, “SOFR Index”, “SONIA”, “SONIA Index”, “HIBOR” or “CNH HIBOR”, in each case for the relevant period, as may be specified in the relevant Final Terms;

**“Reference Time”** with respect to any determination of the Reference Rate (including, in the case of Compounded Daily SOFR, Weighted Average SOFR or Compounded Index SOFR, the daily published component used in the calculation thereof) means:

- (i) (x) where the Reference Rate (or such component thereof) is USD LIBOR, 11:00 a.m. (London time) on the day that is two London Banking Days preceding the date of such determination, (y) where the Reference Rate (or such component thereof) is SOFR, 3:00 p.m. (New York City time) on the U.S. Government Securities Business Day immediately following the date that the relevant rate is in respect of, and (z) where the Reference Rate (or such component thereof) is SOFR Index, 3:00 p.m. (New York City time) on the U.S. Government Securities Business Day that the relevant rate is in respect of; or
- (ii) otherwise, the time determined by the Issuer or the Independent Adviser after giving effect to the Benchmark Replacement Conforming Changes.

**“Regular Period”** means:

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

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

**“Relevant Financial Centre”** has the meaning given in the Final Terms, or, if none, the city most closely connected with the Reference Rate in the determination of the Calculation Agent;

**“Relevant Governmental Body”** means the Federal Reserve Board and/or the Federal Reserve Bank of New York (including any board thereof), or in either case any committee officially endorsed and/or convened thereby or any successor thereto;

**“Relevant Nominating Body”** means, in respect of any Reference Rate:

- (i) the central bank for the currency to which such Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of such Reference Rate; or
- (ii) any working group or committee established, approved or sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency to which such Reference Rate relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of such Reference Rate, (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Board or any part thereof.

**“Relevant Screen Page”** means the page, section or other part of a particular information service (including, without limitation, the Reuters Monitor Money Rates Service) specified

as the Relevant Screen Page in the Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate or the Reset Reference Rate;

“**Relevant Time**” has the meaning given in the Final Terms;

“**Reset Determination Date**” means for each Reset Period the date as specified in the applicable Final Terms falling on or before the commencement of such Reset Period on which the Rate of Interest applying during such Reset Period will be determined;

“**Reset Period**” means the period from (and including) the Fixed Rate Reset Date to (but excluding) the Maturity Date if there is only one Reset Period or, if there is more than one Reset Period, each period from (and including) one Fixed Rate Reset Date (or the first Fixed Rate Reset Date) to (but excluding) the next Fixed Rate Reset Date (or the Maturity Date);

“**Reset Rate**” for any Reset Period means either (i) the rate per annum specified in the applicable Final Terms or (ii), in the event (i) above does not apply, a rate per annum equal to the sum of (a) the applicable Reset Reference Rate and (b) the Mid-Swap Re-Offer Spread;

“**Reset Rate Time**” has the meaning given in the applicable Final Terms;

“**Reset Reference Rate**” means the Mid-Market Swap Rate appearing on the Relevant Screen Page at or around the Reset Rate Time on the relevant Reset Determination Date for the relevant Reset Period;

“**Solvent Reconstruction**” has the meaning given in Condition 9.1(iv);

“**Specified Currency**” has the meaning given in the Final Terms;

“**Specified Office**” has the meaning given in the Issue and Paying Agency Agreement;

“**Specified Period**” has the meaning given in the Final Terms;

“**Subsidiary**” means, in relation to any Person (the “first Person”) at any particular time, any other Person (the “second Person”):

- (i) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

“**Successor Reference Rate**” means the rate which has been formally published, endorsed, approved, recommended or recognised as a successor or replacement to the relevant Reference Rate by any Relevant Nominating Body;

“**Talon**” means a talon for further Coupons;

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

“**TARGET Settlement Day**” means any day on which TARGET2 is operating credit or transfer instructions in respect of euro;

“**Term SOFR**” means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body;

“**Unadjusted Benchmark Replacement**” means the ARRC Benchmark Replacement excluding the Benchmark Replacement Adjustment;

“**Winding-Up**” means any procedure whereby the Issuer or WNZL may be wound up, dissolved, liquidated, sequestered or cease to exist as a body corporate whether brought or instigated by a Holder or any other person, other than under or in connection with a Solvent Reconstruction (as defined in Condition 9.1(iv));

“**WNZL Guarantee of the Instruments**” means the guarantee of the Instruments given by WNZL in the WNZL Deed of Guarantee; and

“**Zero Coupon Instrument**” means an Instrument specified as such in the Final Terms.

**1.2** *Interpretation:* In these Conditions:

- (i) if the Instruments are Zero Coupon Instruments, references to Coupons are not applicable;
- (ii) if Talons are specified in the Final Terms as being attached to the Instruments at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the Final Terms as being attached to the Instruments at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any Instalment Amount, any additional amounts in respect of principal which may be payable under Condition 8 (*Taxation*), any premium payable in respect of an Instrument and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 8 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Instruments being “outstanding” shall be construed in accordance with the Issue and Paying Agency Agreement;

- (vii) if an expression is stated in Condition 1.1 (*Definitions*) to have the meaning given in the Final Terms, but the Final Terms gives no such meaning or specifies that such expression is “not applicable” then such expression is not applicable to the Instruments; and
- (viii) any reference to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

## 2. Form and Denomination

- 2.1 Instruments are issued in bearer form (“**Bearer Instruments**”) or in registered form (“**Registered Instruments**”), as specified in the Final Terms and are serially numbered. Registered Instruments will not be exchangeable for Bearer Instruments.

### *Bearer Instruments*

- 2.2 Subject to the final sentence of this paragraph, the Final Terms shall specify whether U.S. Treasury Regulation §1.163-5(c)(2)(i)(D) (the “**TEFRA D Rules**”) or U.S. Treasury Regulation §1.163-5(c)(2)(i)(C) (the “**TEFRA C Rules**”) shall apply. Each Tranche of Bearer Instruments is represented upon issue by a temporary global Instrument (a “**Temporary Global Instrument**”), unless the Final Terms specify otherwise and the TEFRA C Rules apply.

Where the Final Terms applicable to a Tranche of Bearer Instruments specifies that the TEFRA C Rules apply, such Tranche is (unless otherwise specified in the Final Terms) represented upon issue by a Permanent Global Instrument.

Interests in the Temporary Global Instrument may be exchanged for:

- (i) interests in a permanent global Instrument (a “**Permanent Global Instrument**”);  
or
- (ii) if so specified in the Final Terms, definitive instruments in bearer form (“**Definitive Instruments**”) and/or (in the case of a Series comprising both Bearer Instruments and Registered Instruments and if so specified in the Final Terms) Registered Instruments.

Exchanges of interests in a Temporary Global Instrument for Definitive Instruments or, as the case may be, a Permanent Global Instrument will be made only on or after the Exchange Date (as specified in the Final Terms) and (unless the Final Terms specify that the TEFRA C Rules are applicable to the Instruments) provided certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in substantially the form set out in the Temporary Global Instrument or in such other form as is customarily issued in such circumstances by the relevant clearing system) has been received. An exchange for Registered Instruments will be made at any time or from such date as may be specified in the Final Terms, in each case, without any requirement for certification.



- 2.3** The bearer of any Temporary Global Instrument shall not (unless, upon due presentation of such Temporary Global Instrument for exchange (in whole but not in part only) for a Permanent Global Instrument or for delivery of Definitive Instruments and/or Registered Instruments, such exchange or delivery is improperly withheld or refused and such withholding or refusal is continuing at the relevant payment date) be entitled to receive any payment in respect of the Instruments represented by such Temporary Global Instrument which falls due on or after the Exchange Date or be entitled to exercise any option on a date after the Exchange Date.
- 2.4** Unless the Final Terms specify that the TEFRA C Rules are applicable to the Instruments and subject to Condition 2.3 above, if any date on which a payment of interest is due on the Instruments of a Tranche occurs while any of the Instruments of that Tranche are represented by a Temporary Global Instrument, the related interest payment will be made on the Temporary Global Instrument only to the extent that certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in substantially the form set out in the Temporary Global Instrument or in such other form as is customarily issued in such circumstances by the relevant clearing system) has been received by the CMU Paying Agent (in the case of a Temporary Global Instrument lodged with a sub-custodian for the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the “**CMU Service**”)) or (in any other case) by Euroclear Bank SA/NV (“**Euroclear**”) or Clearstream Banking, S.A. (“**Clearstream, Luxembourg**”) or any other relevant clearing system. Payments of interest due in respect of a Permanent Global Instrument will be made through Euroclear or Clearstream, Luxembourg or the CMU Service or any other relevant clearing system without any requirement for certification.
- 2.5** Interests in a Permanent Global Instrument will be exchanged by the Issuer in whole but not in part only at the option of the Holder of such Permanent Global Instrument, for Definitive Instruments and/or (in the case of a Series comprising both Bearer Instruments and Registered Instruments and if so specified in the Final Terms) Registered Instruments, (a) if an Event of Default (as defined below) occurs in respect of any Instrument of the relevant Series; or (b) if Euroclear or Clearstream, Luxembourg or the CMU Service or any other relevant clearing system is closed for business for a continuous period of fourteen days (other than by reason of public holidays) or announces an intention to cease business permanently or in fact does so in both cases at the cost and expense of the Issuer. If the Issuer does not make the required delivery of Definitive Instruments and/or Registered Instruments by 6.00 p.m. (London time) on the thirtieth day after the day on which such Permanent Global Instrument becomes due to be exchanged and, in the case of (a) above, such Instrument is not duly redeemed (or the funds required for such redemption are not available to the Fiscal Agent for the purposes of effecting such redemption and remain available for such purpose) by 6.00 p.m. (London time) on the thirtieth day after the day at which such Instrument became immediately redeemable such Permanent Global Instrument will become void in accordance with its terms but without prejudice to the rights conferred by the Deed of Covenant.
- 2.6** Interest-bearing Definitive Instruments have attached thereto at the time of their initial delivery coupons (“**Coupons**”), presentation of which will be a prerequisite to the payment of interest save in certain circumstances specified herein. Interest-bearing Definitive Instruments, if so specified in the Final Terms have attached thereto at the time of their initial delivery, a talon (“**Talon**”) for further coupons and the expression “Coupons” shall, where the context so requires, include Talons.

- 2.7** Instruments, the principal amount of which is repayable by instalments (“**Instalment Instruments**”) and which are Definitive Instruments, have endorsed thereon a grid for recording the repayment of principal or, if so specified in the Final Terms, have attached thereto at the time of their initial delivery, payment receipts (“**Receipts**”) in respect of the instalments of principal.

#### *Denomination*

##### *Denomination of Bearer Instruments*

- 2.8** Bearer Instruments are in the denomination or denominations (each of which denomination is integrally divisible by each smaller denomination) specified in the Final Terms. Bearer Instruments of one denomination may not be exchanged for Bearer Instruments of any other denomination.
- 2.8A** Where a Temporary Global Instrument, issued in bearer form, is to be cleared through Euroclear or Clearstream, Luxembourg or any other relevant clearing system and is to be exchangeable for Definitive Instruments upon the Holder’s request, the Instruments may only be issued in such denominations as Euroclear or Clearstream, Luxembourg or such other relevant clearing system will permit at that time.
- 2.8B** If the Temporary Global Instrument, issued in bearer form, is exchangeable for a Definitive Instrument at the option of the Holders thereof, the Instruments shall be tradeable only in principal amounts of at least the Denomination (or if more than one Denomination, the lowest Denomination).

##### *Denomination of Registered Instruments*

- 2.9** Registered Instruments are in the minimum denomination specified in the Final Terms or integral multiples thereof.
- 2.9A** Where a Temporary Global Instrument, issued in registered form, is to be cleared through Euroclear or Clearstream, Luxembourg or any other relevant clearing system and is to be exchangeable for Definitive Instruments upon the Holder’s request, the Instruments may only be issued in such denominations as Euroclear or Clearstream, Luxembourg or such other relevant clearing system will permit at that time.
- 2.9B** If the Temporary Global Instrument, issued in registered form, is exchangeable for a Definitive Instrument at the option of the Holders thereof, the Instruments shall be tradeable only in principal amounts of at least the Denomination (or if more than one Denomination, the lowest Denomination).

### *Currency of Instruments*

- 2.10** The Instruments are denominated in such currency as may be specified in the Final Terms (the “**Specified Currency**”). Any currency may be so specified, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

### *Partly Paid Instruments*

- 2.11** Instruments may be issued on a partly paid basis (“**Partly Paid Instruments**”) if so specified in the Final Terms. The subscription moneys therefor shall be paid in such number of instalments (“**Partly Paid Instalments**”), in such amounts, on such dates and in such manner as may be specified in the Final Terms. The first such instalment shall be due and payable on the date of issue of the Instruments. For the purposes of these Terms and Conditions, in respect of any Partly Paid Instrument, Paid Up Amount means the aggregate amount of all Partly Paid Instalments in respect thereof as shall have fallen due and been paid up in full in accordance with these Terms and Conditions.

Not less than 14 days nor more than 30 days prior to the due date for payment of any Partly Paid Instalment (other than the first such instalment) the Issuer shall publish a notice in accordance with Condition 14 (*Notices*) stating the due date for payment thereof and stating that failure to pay any such Partly Paid Instalment on or prior to such date will entitle the Issuer to forfeit the Instruments with effect from such date (“**Forfeiture Date**”) as may be specified in such notice (not being less than 14 days after the due date for payment of such Partly Paid Instalment), unless the relevant Partly Paid Instalment together with any interest accrued thereon is paid prior to the Forfeiture Date. The Issuer shall procure that any Partly Paid Instalments paid in respect of any Instruments subsequent to the Forfeiture Date in respect thereof shall be returned promptly to the Persons entitled thereto. The Issuer shall not be liable for any interest on any Partly Paid Instalment so returned.

Interest shall accrue on any Partly Paid Instalment which is not paid on or prior to the due date for payment thereof at the Interest Rate (or, in the case of Zero Coupon Instruments, at the rate applicable to overdue payments) and shall be calculated in the same manner and on the same basis as if it were interest accruing on the Instruments for the period from and including the due date for payment of the relevant Partly Paid Instalment up to but excluding the Forfeiture Date. For the purpose of the accrual of interest, any payment of any Partly Paid Instalment made after the due date for payment shall be treated as having been made on the day preceding the Forfeiture Date (whether or not a Business Day).

Unless an Event of Default shall have occurred and be continuing, on the Forfeiture Date, the Issuer shall forfeit all of the Instruments in respect of which any Partly Paid Instalment shall not have been duly paid, whereupon the Issuer shall be entitled to retain all Partly Paid Instalments previously paid in respect of such Instruments and shall be discharged from any obligation to repay such amount or to pay interest thereon, or (where such instruments are represented by a Temporary Global Instrument or a Permanent Global Instrument) to exchange any Interests in such Instrument for interests in a Permanent Global Instrument or to deliver Definitive Instruments or Registered Instruments in respect thereof, but shall have no other rights against any Person entitled to the Instruments which have been so forfeited.

Without prejudice to the right of the Issuer to forfeit any Instruments, for so long as any Partly Paid Instalment remains due but unpaid, and except in the case where an Event of Default shall have occurred and be continuing, (a) no interests in a Temporary Global Instrument may be exchanged for interests in a Permanent Global Instrument and (b) no transfers of Registered Instruments or exchanges of Bearer Instruments for Registered Instruments may be requested or effected.

Until such time as all the subscription moneys in respect of Partly Paid Instruments shall have been paid in full and except in the case where an Event of Default shall have occurred and be continuing or if any of Euroclear or Clearstream, Luxembourg or the CMU Service or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of public holidays) or announces an intention to cease business permanently or in fact does so, no interests in a Temporary Global Instrument or a Permanent Global Instrument may be exchanged for Definitive Instruments or Registered Instruments.

### **3. Title and Transfer**

**3.1** Title to Bearer Instruments, Receipts and Coupons passes by delivery. References herein to the “**Holder**s” of Bearer Instruments or of Receipts or Coupons are to the bearers of such Bearer Instruments or such Receipts or Coupons, as the case may be.

**3.2** Title to Registered Instruments passes by transfer and registration in the register which the Issuer shall procure to be kept by the Registrar. For the purposes of these Terms and Conditions, “**Registrar**” means, in relation to any Series comprising Registered Instruments, the Principal Registrar, the First Alternative Registrar or, as the case may be, the Second Alternative Registrar, as specified in the Final Terms. References herein to the “**Holder**s” of Registered Instruments are to the Persons in whose names such Registered Instruments are so registered in the relevant register.

**3.3** The Holder of any Bearer Instrument, Coupon or Registered Instrument will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no Person shall be liable for so treating such Holder.

#### *Transfer of Registered Instruments and exchange of Bearer Instruments for Registered Instruments*

**3.4** A Registered Instrument may, upon the terms and subject to the conditions set forth in the Issue and Paying Agency Agreement, be transferred in whole or in part only (provided that such part is, or is an integral multiple of, the minimum denomination specified in the Final Terms) upon the surrender of the Registered Instrument to be transferred, together with the form of transfer endorsed on it duly completed and executed, at the Specified Office of the Registrar. A new Registered Instrument will be issued to the transferee and, in the case of a transfer of part only of a Registered Instrument, a new Registered Instrument in respect of the balance not transferred will be issued to the transferor.

**3.5** If so specified in the Final Terms, the Holder of Bearer Instruments may exchange the same for the same aggregate principal amount of Registered Instruments upon the terms

and subject to the conditions set forth in the Issue and Paying Agency Agreement. In order to exchange a Bearer Instrument for a Registered Instrument, the Holder thereof shall surrender such Bearer Instrument at the Specified Office outside the United States (as defined in Condition 7A.4) of the Paying Agent or of the Registrar together with a written request for the exchange. Each Bearer Instrument so surrendered must be accompanied by all unmatured Receipts and Coupons appertaining thereto other than the Coupon in respect of the next payment of interest falling due after the exchange date (as defined in Condition where the exchange date would, but for the provisions of Condition 3.6, occur between the Record Date (as defined in Condition 7B.3) for such payment of interest and the date on which such payment of interest falls due.

- 3.6** Each new Registered Instrument to be issued upon the transfer of a Registered Instrument or the exchange of a Bearer Instrument for a Registered Instrument will, within three Relevant Banking Days of the transfer date or, as the case may be, the exchange date, be available for collection by each relevant Holder at the Specified Office of the Registrar or, at the option of the Holder requesting such exchange or transfer be mailed (by uninsured post at the risk of the Holder(s) entitled thereto) to such address(es) as may be specified by such Holder. For these purposes, a form of transfer or request for exchange received by the Registrar or the Fiscal Agent after the Record Date in respect of any payment due in respect of Registered Instruments shall be deemed not to be effectively received by the Registrar or the Fiscal Agent until the day following the due date for such payment.

For the purposes of these Terms and Conditions:

- (i) **“Relevant Banking Day”** means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place where the Specified Office of the Registrar is located and, in the case only of an exchange of a Bearer Instrument for a Registered Instrument where such request for exchange is made to the Fiscal Agent, in the place where the Specified Office of the Fiscal Agent is located;
  - (ii) the **“exchange date”** shall be the Relevant Banking Day following the day on which the relevant Bearer Instrument shall have been surrendered for exchange in accordance with Condition 3.5; and
  - (iii) the **“transfer date”** shall be the Relevant Banking Day following the day on which the relevant Registered Instrument shall have been surrendered for transfer in accordance with Condition 3.4.
- 3.7** The issue of new Registered Instruments on transfer or on the exchange of Bearer Instruments for Registered Instruments will be effected without charge by or on behalf of the Issuer, the Fiscal Agent or the Registrar, but upon payment by the applicant of (or the giving by the applicant of such indemnity as the Issuer, the Fiscal Agent or the Registrar may require in respect of) any tax, duty or other governmental charges which may be imposed in relation thereto.
- 3.8** Upon the transfer, exchange or replacement of Registered Instruments bearing the restrictive legend (the **“Restrictive Legend”**) set forth in the form of Registered Instrument scheduled to the Issue and Paying Agency Agreement, the Registrar shall

deliver only Registered Instruments that also bear such legend unless either (i) the transferor is not and has not been an affiliate of the Issuer or WNZL during the preceding three months and such transfer, exchange or replacement occurs one year or more after the later of (1) the original issue date of such Instruments or (2) the last date on which the Issuer or any affiliates (as defined below) of the Issuer as notified to the Registrar by the Issuer as provided in the following sentence, was the beneficial owner of such Instrument (or any predecessor of such Instrument) or (ii) there is delivered to the Registrar an opinion reasonably satisfactory to the Issuer of counsel experienced in giving opinions with respect to questions arising under the securities laws of the United States to the effect that neither such legend nor the restrictions on transfer set forth therein are required in order to maintain compliance with the provisions of such laws. The Issuer covenants and agrees that it will not acquire any beneficial interest, and will cause its “affiliates” (as defined in paragraph (a)(1) of Rule 144 under the *Securities Act of 1933*, as amended (the “**Securities Act**”)) not to acquire any beneficial interest, in any Registered Instrument bearing the Restrictive Legend unless it notifies the Registrar of such acquisition. The Registrar and all Holders shall be entitled to rely without further investigation on any such notification (or lack thereof).

- 3.9** For so long as any of the Registered Instruments bearing the Restrictive Legend remain outstanding and are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, WNZL covenants and agrees that it shall, during any period in which it is not subject to Section 13 or Section 15(d) under the *United States Securities Exchange Act of 1934* nor exempt from reporting pursuant to Rule 12g3-2(b) under such Act, make available to any Relevant Account Holder (as defined in the Deed of Covenant) in connection with any sale thereof and any prospective purchaser of such Instruments from such Relevant Account Holder, in each case upon request, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.

#### **4. Status of the Instruments and the WNZL Guarantee**

- 4.1** The Instruments constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with all other unsubordinated and unsecured obligations of the Issuer, present and future (save for certain mandatory exceptions provided by law).
- 4.2** The obligations of WNZL under the WNZL Deed of Guarantee constitute its direct, unconditional, unsubordinated and unsecured obligations and rank at least *pari passu* with all other unsubordinated and unsecured obligations of WNZL, present and future (save for certain mandatory exceptions provided by law).

#### **5. Interest**

##### **5.1** *Interest*

Instruments may be interest-bearing or non interest-bearing, as specified in the Final Terms. Words and expressions appearing in this Condition 5 and not otherwise defined herein or in the Final Terms shall have the meanings given to them in Condition 1.1 (*Definitions*).

## 5.2 Fixed Rate Instrument Provisions

*This Condition 5.2 applies to Fixed Rate Instruments only. The applicable Final Terms contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 5.2 for full information on the manner in which interest is calculated on Fixed Rate Instruments. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Interest Rate, the Interest Payment Date(s), the Interest Period End Date(s), the Maturity Date, the Fixed Coupon Amount, any applicable Broken Amount, the Business Day Convention and the Day Count Fraction.*

- (i) *Application:* This Condition 5.2 is applicable to the Instruments only if the Fixed Rate Instrument Provisions are specified in the relevant Final Terms as being applicable.
- (ii) *Accrual of interest:* The Instruments bear interest from the Interest Commencement Date at the Interest Rate and such interest is payable in arrear on each Interest Payment Date, as provided in Condition 7 (*Payments*). Each Instrument will cease to bear interest from the due date for final redemption (or, in the case of an Instalment Instrument, in respect of each instalment of principal, on the due date for payment of the relevant Instalment Amount) unless, upon due presentation, payment in full of the Redemption Amount or the relevant Instalment Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 5 (*Interest*) (after as well as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Instrument up to that day are received by or on behalf of the relevant Holder and (ii) the day which is seven days after the Fiscal Agent has notified the Holders that it has received all sums due in respect of the Instruments up to such seventh day (except to the extent that there is any subsequent default in payment).
- (iii) *Fixed Coupon Amount:* The amount of interest payable in respect of each Instrument for any Interest Period shall be the relevant Fixed Coupon Amount (or, in respect of the Interest Period beginning on the Interest Commencement Date or the Interest Period ending on the Maturity Date, the Broken Amount, if so specified in the Final Terms).
- (iv) *Calculation of Interest Amount:* The amount of interest payable in respect of each Instrument for any Interest Accrual Period for which a Fixed Coupon Amount is not specified shall be calculated (i) by applying the Interest Rate to the Calculation Amount of such Instrument and multiplying the product by the relevant Day Count Fraction or (ii) if so specified in the Final Terms, by applying the Interest Rate to the Calculation Amount of such Instruments, multiplying such product by the product of the Accrual Feature and the relevant Day Count Fraction and, in the case of (i) or (ii) above, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). For this purpose a “sub-unit” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

### 5.3 Fixed Rate Reset Instrument Provisions

*This Condition 5.3 applies to Fixed Rate Reset Instruments only. The applicable Final Terms contains provisions applicable to the determination of fixed rate reset interest and must be read in conjunction with this Condition 5.3 for full information on the manner in which interest is calculated on Fixed Rate Reset Instrument Provisions. In particular, the applicable Final Terms will identify the Interest Commencement Date, the Initial Rate of Interest, the Fixed Rate Reset Date(s), the Reset Rate(s), the Reset Reference Rate, the Interest Payment Dates, the Interest Period End Date(s), the Business Day Convention, the Day Count Fraction, the Accrual Feature, the Mid-Swap Re-Offer Spread, the Reset Determination Date(s) and the Reset Rate Time.*

- (i) *Application:* This Condition 5.3 is applicable to the Instruments only if the Fixed Rate Reset Instrument Provisions are specified in the relevant Final Terms as being applicable.
- (ii) *Accrual of interest:* The Instruments bear interest:
  - (a) in respect of the period from (and including) the Interest Commencement Date to (but excluding) the Fixed Rate Reset Date (or, if there is more than one Reset Period, the first Fixed Rate Reset Date occurring after the Interest Commencement Date), at the rate per annum equal to the Initial Rate of Interest; and
  - (b) in respect of the Reset Period (or, if there is more than one Reset Period, each successive Reset Period thereafter), at such rate per annum as is equal to the relevant Reset Rate, as determined by the Calculation Agent on the relevant Reset Determination Date in accordance with this Condition 5.3,

and such interest is payable in arrear on each Interest Payment Date, subject as provided in Condition 7 (*Payments*).

- (iii) *Reset Reference Rate determination – Relevant Screen Page:* If the Reset Reference Rate does not appear on the Relevant Screen Page at or around the Reset Rate Time on the relevant Reset Determination Date, or, if the Relevant Screen Page is unavailable, except as provided in Condition 5.7 (*Benchmark Replacement*) below, the Calculation Agent will request the principal Relevant Financial Centre office of the Reference Banks to provide a quotation of the Mid-Market Swap Rate at approximately the Reset Rate Time on the relevant Reset Determination Date.

If two or more of the Reference Banks provide quotations as requested by the Calculation Agent, the Mid-Market Swap Rate will be the arithmetic mean of the provided quotations, expressed as a percentage and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards).

If on any Reset Determination Date:



- (a) only one of the Reference Banks provides a quotation as requested by the Calculation Agent, the Mid-Market Swap Rate shall be a rate equal to the quotation provided by such Reference Bank; or
  - (b) none of the Reference Banks provides a quotation as requested by the Calculation Agent, the Mid-Market Swap Rate shall be a rate equal to the Initial Rate of Interest less the Mid-Swap Re-Offer Spread.
- (iv) *Fixed Coupon Amount:* The amount of interest payable in respect of each Instrument in respect of the period from (and including) the Interest Commencement Date to (but excluding) the Fixed Rate Reset Date (or, if there is more than one Reset Period, the first Fixed Rate Reset Date occurring after the Interest Commencement Date) shall be the relevant Fixed Coupon Amount (or, in respect of the Interest Period beginning on the Interest Commencement Date or the Interest Period ending on the Maturity Date, the Broken Amount, if so specified in the applicable Final Terms) and, if the Instruments are in more than one denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant denomination.
- (v) *Calculation of Interest Amount:* The amount of interest payable in respect of each Instrument for any Interest Accrual Period for which a Fixed Coupon Amount is not specified shall be calculated by the Calculation Agent. The Calculation Agent will, as soon as practicable after the time at which the Interest Rate is to be determined in relation to the relevant Interest Accrual Period, calculate the Interest Amount payable in respect of each Instrument for such Interest Accrual Period (i) by applying the Interest Rate to the principal amount outstanding of such Instrument and multiplying the product by the relevant Day Count Fraction or (ii) if so specified in the applicable Final Terms, by applying the Interest Rate to the principal amount outstanding of such Instrument, multiplying such product by the product of the Accrual Feature and the relevant Day Count Fraction and, in the case of (i) or (ii) above, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). For this purpose a sub-unit means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (vi) *Publication:* The Calculation Agent will cause each Interest Rate and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each listing authority and/or stock exchange (if any) by which the Instruments are then listed and/or traded as soon as practicable after such determination but (in the case of each Interest Rate, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Holders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.
- (vii) *Notifications etc.:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for

the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, WNZL, the Paying Agents and the Holders (subject as aforesaid) and no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

#### 5.4 *Floating Rate Instrument Provisions*

*This Condition 5.4 applies to Floating Rate Instruments only. The applicable Final Terms contains provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 5.4 for full information on the manner in which interest is calculated on Floating Rate Instruments. In particular, the applicable Final Terms will identify Interest Payment Dates, and the Interest Period End Date(s), the Maturity Date, any Specified Period, the Interest Commencement Date, the Business Day Convention, any Additional Business Centre(s), whether ISDA Determination or Screen Rate Determination applies to the calculation of interest, the party who will calculate the amount of interest due if it is not the Agent, the Margin, any maximum or minimum interest rates and the Day Count Fraction. Where ISDA Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Floating Rate Option, Designated Maturity and Reset Date. Where Screen Rate Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Reference Rate, Relevant Financial Centre, Interest Determination Date(s) and Relevant Screen Page.*

- (i) *Application:* This Condition 5.4 is applicable to the Instruments only if the Floating Rate Instrument Provisions are specified in the relevant Final Terms as being applicable.
- (ii) *Accrual of interest:* The Instruments bear interest from the Interest Commencement Date at the Interest Rate and such interest is payable in arrear on each Interest Payment Date, as provided in Condition 7 (*Payments*). Each Instrument will cease to bear interest from the due date for final redemption (or, in the case of an Instalment Instrument, in respect of each instalment of principal, on the due date for payment of the relevant Instalment Amount) unless, upon due presentation, payment in full of the Redemption Amount or the relevant Instalment Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (after as well as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Instrument up to that day are received by or on behalf of the relevant Holder and (ii) the day which is seven days after the Fiscal Agent has notified the Holders that it has received all sums due in respect of the Instruments up to such seventh day (except to the extent that there is any subsequent default in payment).
- (iii) *Screen Rate Determination: - Term Rate:* If Screen Rate Determination – Applicable (Term Rate) is specified in the Final Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate applicable to the

Instruments for each Interest Accrual Period will be the sum of the Margin and the rate determined by the Calculation Agent on the following basis:

- (a) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (b) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (c) if, in the case of (a) above, such rate does not appear on that page or, in the case of (b) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, except as provided in Condition 5.7 (*Benchmark Replacement*) below, the Calculation Agent will:
  - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
  - (B) determine the arithmetic mean of such quotations;
- (d) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (rounded, if necessary, to the nearest one-hundred-thousandth of a percentage point (e.g., 9.876541 per cent. (or .09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or .09876545) being rounded up to 9.87655 per cent. (or .0987655)) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Accrual Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Accrual Period and in an amount that is representative for a single transaction in that market at that time, and the Interest Rate for such Interest Accrual Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Accrual Period, the Interest Rate applicable to the Instruments during such Interest Accrual Period will be the sum of the Margin and the rate (or as the case may be the arithmetic mean of the rates) last determined in relation to the Instruments in respect of the last preceding Interest Accrual Period;

(iv) *Screen Rate Determination – Overnight Rate*

(I) SONIA

If Screen Rate Determination – Applicable (Overnight Rate) is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined and:

- (a) the Reference Rate is specified in the relevant Final Terms as being SONIA, and the SONIA Averaging Method is specified in the relevant Final Terms as being Compounded Daily, the Rate of Interest applicable to the Instruments for each Interest Accrual Period will be Compounded Daily SONIA plus or minus (as indicated in the relevant Final Terms) the Margin; or
- (b) the Reference Rate is specified in the relevant Final Terms as being SONIA Index and the SONIA Averaging Method is specified in the relevant Final Terms as being Compounded Index, the Rate of Interest applicable to the Instruments for each Interest Accrual Period will be Compounded Index SONIA plus or minus (as indicated in the relevant Final Terms) the Margin,

in each case as calculated by the Calculation Agent on the Interest Determination Date as follows, with the resulting percentage rounded if necessary to the nearest one hundred-thousandth of a percentage point (e.g., 9.876541 per cent. (or .09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or .09876545) being rounded up to 9.87655 per cent. (or .0987655)), where for the purposes of this Condition 5.4(iv)(I):

“**Compounded Daily SONIA**” means the rate of return of a daily compound interest investment (with SONIA as the reference rate for the calculation of interest) as calculated by the Calculation Agent on the Interest Determination Date as follows, with the resulting percentage rounded if necessary to the nearest one hundred-thousandth of a percentage point ((e.g., 9.876541 per cent. (or .09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or .09876545) being rounded up to 9.87655 per cent. (or .0987655))):

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SONIA_i \cdot p_{LBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

“**Compounded Index SONIA**” means the rate of return of a daily compound interest investment as calculated by the Calculation Agent on the Interest Determination Date as follows, with the resulting percentage rounded if necessary to the nearest one hundred-thousandth of a percentage point (e.g., 9.876541 per cent. (or .09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or .09876545) being rounded up to 9.87655 per cent. (or .0987655))):

$$\left( \frac{SONIA Index_{end}}{SONIA Index_{start}} \right) \times \frac{365}{d}$$

“**d**” is the number of calendar days in (where Compounded Daily is the SONIA Averaging Method and “Lag” or “Lock-out” is specified as the Observation Method, in each case in the applicable Final Terms) the relevant Interest Accrual Period or (where Compounded Daily is the SONIA Averaging Method and “Shift” is specified as the Observation Method, or Compounded Index is specified as the SONIA Averaging Method, in each case in the applicable Final Terms) the relevant Observation Period;

“**d<sub>0</sub>**” is the number of London Banking Days in (where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms) the relevant Interest Accrual Period or (where “Shift” is specified as the Observation Method in the applicable Final Terms) the relevant Observation Period;

“**i**” is a series of whole numbers from one to **d<sub>0</sub>**, each representing the relevant London Banking Day in chronological order from, and including, (where “Lag” or “Lock-out” is specified as the Observation Method in the applicable Final Terms) the first London Banking Day in the relevant Interest Accrual Period to, but excluding, the last London Banking Day in the relevant Interest Accrual Period or (where “Shift” is specified as the Observation Method in the applicable Final Terms) the first London Banking Day in the relevant Observation Period to, but excluding, the last London Banking Day in the relevant Observation Period;

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

“**London Banking Day**” or “**LBD**” means 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.

“**n<sub>i</sub>**”, for any London Banking Day “**i**”, means the number of calendar days from and including such London Banking Day “**i**” up to but excluding the following London Banking Day;

“**Observation 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**” London Banking Days

prior to the first day of the relevant Interest Accrual Period and ending on, but excluding, the date which is “p” London Banking Days prior to the Interest Payment Date for such Interest Accrual Period (or the date falling “p” London Banking Days prior to such earlier date, if any, on which the Instruments become due and payable);

“p” means, for any Interest Accrual Period:

- (a) where “Lag” or “Shift” is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the Observation Look-Back Period in the applicable Final Terms (or if no such number is specified, five London Banking Days); or
- (b) where “Lock-out” is specified as the Observation Method in the applicable Final Terms, zero;

“**Reference Day**” means each London Banking Day in the relevant Interest Accrual Period, other than any London Banking Day in the Lock-out Period;

“**SONIA**” means:

- (a) where in the applicable Final Terms “Lag” or “Shift” is specified as the Observation Method, in respect of any London Banking Day, SONIA in respect of such London Banking Day;
- (b) where in the applicable Final Terms “Lock-out” is specified as the Observation Method:
  - (1) in respect of any London Banking Day “i” that is a Reference Day, SONIA in respect of the London Banking Day immediately preceding such Reference Day; and
  - (2) in respect of any London Banking Day “i” that is not a Reference Day (being a London Banking Day in the Lock-out Period), SONIA in respect of the London Banking Day immediately preceding the last Reference Day of the relevant Interest Accrual Period (such last Reference Day coinciding with the Interest Determination Date),

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

- (a) if, in respect of any London Banking Day in the relevant Observation Period, the SONIA rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA rate shall be: (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; plus (ii) the mean of the spread of the SONIA rate to the Bank Rate over the previous five London Banking Days on which a SONIA rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate;
- (b) notwithstanding the paragraph above, in the event that the Bank of England publishes guidance as to (i) how the SONIA rate is to be determined or (ii) any rate that is to replace the SONIA rate, the Calculation Agent (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 or such rate that is to replace SONIA, for purposes of the Floating Rate Instruments for so long as the SONIA rate is not available or has not been published by the authorised distributors; and
- (c) in the event that SONIA cannot be determined in accordance with the foregoing provisions, but without prejudice to Condition 5.7 (*Benchmark Replacement*), the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest 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) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Floating Rate Instruments for the first Interest Accrual Period had the Floating Rate Instruments 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),

and for the avoidance of doubt, the preceding paragraphs in this definition of SONIA will apply prior to the application of Condition 5.7 (*Benchmark Replacement*) (if applicable);

**“SONIA Averaging Method”** means the method specified as such in the applicable Final Terms;

**“SONIA Index Value”** means, where “SONIA” is specified as the Reference Rate and “Compounded Index” is specified as the SONIA Averaging Method in the relevant Final Terms, with respect to any London Banking Day:

- (a) the value of the index known as the “SONIA Compounded Index” administered by the Bank of England (or any successor administrator thereof) as published by the Bank of England (or any successor administrator) on the Relevant Screen Page on the immediately following London Banking Day provided, however, that in the event that the value originally published is subsequently corrected and such corrected value is published by the Bank of England, as the administrator of SONIA (or any successor administrator of SONIA) on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SONIA Index Value in relation to such London Banking Day; or
- (b) if the index in paragraph (a) is not published or displayed by the administrator of the SONIA rate or other information service on the relevant Interest Determination Date as specified in the applicable Final Terms, the Reference Rate for the applicable Interest Period for which the index is not available shall be SONIA, and for these purposes, the SONIA Averaging Method shall be deemed to be “Compounded Daily”, “p” as specified in the relevant Final Terms shall be the Observation Look-back Period, and the Observation Method shall be deemed to be “Shift”, as if SONIA Index had not been specified as being applicable and these alternative elections had been made,

and for the avoidance of doubt, paragraph (b) of this definition of SONIA Index Value will apply prior to the application of Condition 5.7 (if applicable);

**“SONIA<sub>i-pLBD</sub>”** means:

- (a) where “Lag” is specified as the Observation Method in the applicable Final Terms, the applicable SONIA rate set out in the definition of “SONIA” above for the London Banking Day (being a London Banking Day falling in the relevant Observation Period) falling “p” London Banking Days prior to the relevant London Banking Day “i”;
- (b) where “Shift” is specified as the Observation Method in the applicable Final Terms, the applicable SONIA rate set out in the definition of “SONIA” above for the London Banking Day “i” falling in the relevant Observation Period; or



- (c) where “Lock-out” is specified as the Observation Method in the applicable Final Terms, the applicable SONIA rate set out in the definition of “SONIA” above for the relevant London Banking Day “I”;

“**SONIA Index<sub>end</sub>**” means the SONIA Index Value on the London Banking Day falling “p” London Banking Days before the last day of the relevant Interest Accrual Period (or in the final Interest Accrual Period, the Maturity Date); and

“**SONIA Index<sub>start</sub>**” means the SONIA Index Value on the London Banking Day falling “p” London Banking Days before the first day of the relevant Interest Accrual Period.

(II) SOFR

If Screen Rate Determination – Applicable (Overnight Rate) is specified in the relevant Final Terms as the manner in which the Interest Rate(s) is/are to be determined and:

- (a) the Reference Rate is specified in the relevant Final Terms as being SOFR and the SOFR Averaging Method is specified in the relevant Final Terms as being Compounded Daily, the Rate of Interest applicable to the Instruments for each Interest Accrual Period will be Compounded Daily SOFR plus or minus (as indicated in the relevant Final Terms) the Margin;
- (b) the Reference Rate is specified in the relevant Final Terms as being SOFR Index and the SOFR Averaging Method is specified in the relevant Final Terms as being Compounded Index, the Rate of Interest applicable to the Instruments for each Interest Accrual Period will be Compounded Index SOFR plus or minus (as indicated in the relevant Final Terms) the Margin; or
- (c) the Reference Rate is specified in the relevant Final Terms as being SOFR and the SOFR Averaging Method is specified in the relevant Final Terms as being Weighted Average, the Rate of Interest applicable to the Instruments for each Interest Accrual Period will be Weighted Average SOFR plus or minus (as indicated in the relevant Final Terms) the Margin, in each case as calculated by the Calculation Agent on the Interest Determination Date, with the resulting percentage rounded if necessary to the nearest one hundred-thousandth of a percentage point (e.g., 9.876541 per cent. (or .09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or .09876545) being rounded up to 9.87655 per cent. (or .0987655)), where for the purposes of this Condition 5.4(iv)(II):

**“Compounded Daily SOFR”** means the rate of return of a daily compound interest investment (with SOFR as the reference rate for the calculation of interest) as calculated by the Calculation Agent on the Interest Determination Date as follows, with the resulting percentage rounded if necessary to the nearest one hundred-thousandth of a percentage point ((e.g., 9.876541 per cent. (or .09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or .09876545) being rounded up to 9.87655 per cent. (or .0987655))):

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

**“Compounded Index SOFR”** means the rate of return of a daily compound interest investment as calculated by the Calculation Agent on the Interest Determination Date as follows, with the resulting percentage rounded if necessary to the nearest one hundred-thousandth of a percentage point (e.g., 9.876541 per cent. (or .09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or .09876545) being rounded up to 9.87655 per cent. (or .0987655))):

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

**“Cut-off Date”** has the meaning given in the applicable Final Terms;

**“Cut-off Period”** means the period from, and including, the day following the Cut-off Date to, but excluding, the Maturity Date, Optional Redemption Date (Call) or Optional Redemption Date (Put), as applicable;

**“d”** is the number of calendar days in (where Compounded Daily is the SOFR Averaging Method and “Lag”, “Lock-out” or “Payment Delay” is specified as the Observation Method, in each case in the applicable Final Terms) the relevant Interest Accrual Period or (where Compounded Daily is the SOFR Averaging Method and “Shift” is specified as the Observation Method, or Compounded Index is specified as the SOFR Averaging Method, in each case in the applicable Final Terms) the relevant Observation Period;

**“d<sub>o</sub>”** is the number of U.S. Government Securities Business Days in (where “Lag”, “Lock-out” or “Payment Delay” is specified as the Observation Method in the applicable Final Terms) the relevant Interest Accrual Period or (where “Shift” is specified as the Observation Method in the applicable Final Terms) the relevant Observation Period;

**“i”** is a series of whole numbers from one to d<sub>o</sub>, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, (where “Lag”, “Lock-out” or “Payment Delay” is

specified as the Observation Method in the applicable Final Terms) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period to, but excluding, the last U.S. Government Securities Business Day in the relevant Interest Accrual Period or (where “Shift” is specified as the Observation Method in the applicable Final Terms) the first U.S. Government Securities Business Day in the relevant Observation Period to, but excluding, the last U.S. Government Securities Business Day in the relevant Observation Period;

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

“**n<sub>i</sub>**”, for any U.S. Government Securities Business Day “i”, means the number of calendar days from and including such U.S. Government Securities Business Day “i” up to but excluding the following U.S. Government Securities Business Day;

“**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” U.S. Government Securities Business Days prior to the first day of the relevant Interest Accrual Period and ending on, but excluding, the date which is “p” U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Accrual Period (or the date falling “p” U.S. Government Securities Business Days prior to such earlier date, if any, on which the Instruments become due and payable);

“**p**” means, for any Interest Accrual Period:

- (a) where “Lag” or “Shift” is specified as the Observation Method in the applicable Final Terms, the number of U.S. Government Securities Business Days specified as the Observation Look-Back Period in the applicable Final Terms (or if no such number is specified, five U.S. Government Securities Business Days);
- (b) where “Lock-out” is specified as the Observation Method in the applicable Final Terms, zero; or
- (c) where “Payment Delay” is specified as the Observation Method in the applicable Final Terms, zero;

**“Reference Day”** means each U.S. Government Securities Business Day in the relevant Interest Accrual Period or Observation Period (as applicable), other than any U.S. Government Securities Business Day in the Lock-out Period (in respect of any Instruments for which “Lock-out” is specified as the Observation Method in the applicable Final Terms) or the Cut-off Period (in respect of any Instruments for which “Payment Delay” is specified as the Observation Method in the applicable Final Terms);

**“SOFR”** means:

- (a) where “Lag” or “Shift” is specified as the Observation Method in the applicable Final Terms, SOFR in respect of such U.S. Government Securities Business Day;
- (b) where “Lock-out” is specified as the Observation Method in the applicable Final Terms:
  - (1) in respect of any U.S. Government Securities Business Day “i” that is a Reference Day, SOFR in respect of the U.S. Government Securities Business Day immediately preceding such Reference Day; and
  - (2) in respect of any U.S. Government Securities Business Day “i” that is not a Reference Day (being a U.S. Government Securities Business Day in the Lock-out Period), SOFR in respect of the U.S. Government Securities Business Day immediately preceding the last Reference Day of the relevant Interest Accrual Period (such last Reference Day coinciding with the Interest Determination Date); or
- (c) where “Payment Delay” is specified as the Observation Method in the applicable Final Terms:
  - (1) in respect of any U.S. Government Securities Business Day “i” that is a Reference Day, SOFR in respect of such U.S. Government Securities Business Day; and
  - (2) in respect of any U.S. Government Securities Business Day “i” that is not a Reference Day (being a U.S. Government Securities Business Day in the Cut-off Period), SOFR in respect of the Cut-off Date,

where SOFR shall be a reference rate equal to:

- (l) 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 3:00 p.m. (New York City time) on the next succeeding U.S. Government Securities Business Day; or

- (II) if the daily Secured Overnight Financing Rate is not published and the Issuer has not determined that a Benchmark Transition Event has occurred, the SOFR for the first preceding U.S. Government Securities Business Day on which the SOFR was published on the New York Fed's Website,

and for the avoidance of doubt, limb (c)(II) of this definition of SOFR will apply prior to the application of Condition 5.7 (*Benchmark Replacement*) (if applicable);

**“SOFR Averaging Method”** means the method specified as such in the applicable Final Terms;

**“SOFR<sub>i-pUSBD</sub>”** means:

- (a) where “Lag” is specified as the Observation Method in the applicable Final Terms, the applicable SOFR rate set out in the definition of “SOFR” above for the U.S. Government Securities Business Day (being a U.S. Government Securities Business Day falling in the relevant Observation Period) falling “p” U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day “i”;
- (b) where “Shift” is specified as the Observation Method in the applicable Final Terms, the applicable SOFR rate set out in the definition of “SOFR” above for the U.S. Government Securities Business Days “i” falling in the relevant Observation Period;
- (c) where “Lock-out” is specified as the Observation Method in the applicable Final Terms, the applicable SOFR rate set out in the definition of “SOFR” above for the relevant U.S. Government Securities Business Day “i”; or
- (d) where “Payment Delay” is specified as the Observation Method in the applicable Final Terms, the applicable SOFR rate set out in the definition of “SOFR” above for the relevant U.S. Government Securities Business Day “i”;

**“SOFR Index”** means, with respect to any U.S. Government Securities Business Day:

- (a) the SOFR Index published for such U.S. Government Securities Business Day as such value appears on the Federal Reserve Bank of New York's Website at 3:00 p.m. (New York time) on such U.S. Government Securities Business Day; or;

- (b) if the SOFR Index specified in (a) above does not so appear, the Reference Rate will be the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for the SOFR Index 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 index measuring the cumulative impact of compounding SOFR over time (which rate may be produced by the Federal Reserve Bank of New York or other designated administrator),

and for the avoidance of doubt, paragraph (b) of this definition of SOFR Index will apply prior to the application of Condition 5.7 (if applicable);

**“SOFR Index<sub>End</sub>”** means the SOFR Index value on the U.S. Government Securities Business Day falling “p” U.S. Government Securities Business Days before the last day of the relevant Interest Accrual Period (or in the final Interest Accrual Period, the Maturity Date);

**“SOFR Index<sub>Start</sub>”** means the SOFR Index value on the U.S. Government Securities Business Day falling “p” U.S. Government Securities Business Days before the first day of the relevant Interest Accrual Period;

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

**“Weighted Average SOFR”** means:

- (a) where “Lag” is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of “SOFR” in effect for each calendar day during the relevant Interest Accrual Period, calculated by multiplying the relevant 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 (and for these purposes, “SOFR” in respect of any calendar day which is not a Reference Day shall be deemed to be the rate in respect of the Reference Day immediately preceding such calendar day);
- (b) where “Shift” is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of “SOFR” in effect for each calendar day during the relevant Observation Period, calculated by multiplying the relevant 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 Observation Period (and for these purposes, “SOFR” in respect

of any calendar day which is not a Reference Day shall be deemed to be the rate in respect of the Reference Day immediately preceding such calendar day);

- (c) where “Lock-out” or “Payment Delay” is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of “SOFR” in effect for each calendar day during the relevant Interest Accrual Period, calculated by multiplying the relevant 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 (and for these purposes, “SOFR” in respect of any calendar day which is not a Reference Day shall be deemed to be the rate in respect of the Reference Day immediately preceding such calendar day), provided however that (x) where “Lock-out” is specified, for any calendar day of such Interest Accrual Period falling in the Lock-out Period, “SOFR” shall be deemed to be the rate in respect of the Reference Day immediately preceding the relevant Interest Determination Date, and (y) where “Payment Delay” is specified for any calendar day of the final Interest Accrual Period falling in the Cut-off Period, “SOFR” shall be deemed to be the rate in respect of the Cut-off Date.

If the Floating Rate Instruments become due and payable in accordance with Condition 9, 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 Floating Rate Instruments became due and payable and the Rate of Interest on such Floating Rate Instruments shall, for so long as any such Instrument remains outstanding, be that determined on such date.

- (v) *ISDA Determination*: If ISDA Determination is specified in the Final Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate applicable to the Instruments for each Interest Accrual Period will be the sum of the Margin and the relevant ISDA Rate where “ISDA Rate” in relation to any Interest Accrual Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:
  - (a) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the Final Terms;
  - (b) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the Final Terms; and
  - (c) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on LIBOR for a currency,

the first day of that Interest Accrual Period or (B) in any other case, as specified in the Final Terms.

- (vi) *BBSW Rate Determination*: If BBSW Rate Determination is specified in the applicable Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Instruments for each Interest Accrual Period will be the sum of the Margin and the BBSW Rate where BBSW Rate in relation to any Interest Accrual Period means the rate for prime bank eligible securities having a tenor closest to the Interest Accrual Period as displayed as the “AVG MID” on the Thomson Reuters Screen BBSW page (or any designation which replaces that designation on that page, or any page that replaces that page) at 12 p.m. (Sydney time) on the first day of that Interest Accrual Period. However, if such rate does not appear on the Thomson Reuters Screen BBSW Page (or any designation which replaces that designation on that page, or any page that replaces that page) by 12 p.m. (Sydney time) on that day, or it does appear but the Issuer or the Independent Adviser appointed by the Issuer determines that there is an obvious error in that rate, BBSW Rate means the rate determined by the Issuer or the Independent Adviser (as applicable) in good faith and in a commercially reasonable manner having regard to comparable indices in customary market usage. The rate calculated or determined by the Issuer or the Independent Adviser will be expressed as a percentage rate per annum and will be rounded up, if necessary, to the next higher one ten-thousandth of a percentage point (0.0001 per cent.).

Notwithstanding the above, if the Issuer or the Independent Adviser (as applicable) determines that the BBSW Rate has been permanently discontinued, BBSW Rate means the rate which the Calculation Agent is directed by the Issuer or the Independent Adviser (as applicable) to substitute for the BBSW Rate (“**Alternative Rate**”), which will be the rate specified by ISDA to be the relevant fallback rate for the BBSW Rate, or such successor or substitute rate which is consistent with accepted market practice. As part of such substitution, the Issuer or the Independent Adviser (as applicable) shall direct the Calculation Agent to make such adjustments to the Alternative Rate or the spread thereon, as well as the Business Day Convention, Interest Determination Dates and related provisions and definitions, in each case as determined by the Issuer or the Independent Adviser (as applicable) and that are consistent with accepted market practice for the use of such Alternative Rate for debt obligations such as the Floating Rate Instruments.

The rate must be expressed as a percentage per annum.

- (vii) *Maximum or Minimum Interest Rate*: If any Maximum Interest Rate or Minimum Interest Rate is specified in the Final Terms, then the Interest Rate shall in no event be greater than the maximum or be less than the minimum so specified.
- (viii) *Calculation of Interest Amount*: The Calculation Agent will, as soon as practicable after the time at which the Interest Rate is to be determined in relation to each Interest Accrual Period, calculate the Interest Amount payable in respect of each Instrument for such Interest Accrual Period. The Interest Amount will be calculated (i) by applying the Interest Rate for such Interest Accrual Period to the



Calculation Amount of such Instrument during such Interest Accrual Period and multiplying the product by the relevant Day Count Fraction or (ii) if so specified in the Final Terms, by applying the Interest Rate for such Interest Accrual Period to the Calculation Amount of such Instruments, and multiplying such product by the product of the Accrual Feature and the relevant Day Count Fraction, and, in the case of (i) or (ii) above, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). For this purpose a “sub-unit” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period will be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

- (ix) *Calculation of other amounts:* If the Final Terms specify that any other amount is to be calculated by the Calculation Agent (including, in respect of the Interest Period beginning on the Interest Commencement Date or the Interest Period ending on the Maturity Date, the Broken Amount, if so specified in the Final Terms), the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the Final Terms.
- (x) *Publication:* The Calculation Agent will cause each Interest Rate and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each listing authority and/or stock exchange (if any) by which the Instruments are then listed and/or traded as soon as practicable after such determination but (in the case of each Interest Rate, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Holders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.
- (xi) *Notifications etc.:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, WNZL, the Paying Agents, the Holders and no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

## **5.5** *Zero Coupon Instrument Provisions*

- (i) *Application:* This Condition 5.5 is applicable to the Instruments only if the Zero Coupon Instrument Provisions are specified in the relevant Final Terms as being applicable.

- (ii) *Late payment on Zero Coupon Instruments*: If the Redemption Amount payable in respect of any Zero Coupon Instrument is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:
  - (a) the Reference Price; and
  - (b) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Instrument up to that day are received by or on behalf of the relevant Holder and (ii) the day which is seven days after the Fiscal Agent has notified the Holders that it has received all sums due in respect of the Instruments up to such seventh day (except to the extent that there is any subsequent default in payment).

#### **5.6** *Coupon Switch Option Provisions*

- (i) *Application*: This Condition 5.6 is applicable to the Instruments only if the Coupon Switch Option is specified in the Final Terms as being applicable and each Instrument shall bear interest on the following basis (unless otherwise specified in the Final Terms).
- (ii) The Final Terms shall specify whether the Fixed Rate Instrument Provisions or, as the case may be, the Floating Rate Instrument Provisions are applicable to the Instruments from and including the Issue Date to but excluding the Coupon Switch Option Date. Upon the Issuer giving the requisite notice (which, for the purposes of this Condition 5.6 only, shall be five Business Days prior to the Coupon Switch Option Date or such other notice period as may be specified in the Final Terms) to exercise its Coupon Switch Option, from and including the Coupon Switch Option Date, interest shall accrue on a different basis from the basis which was applicable prior to such Coupon Switch Option Date. The Final Terms shall specify whether the Fixed Rate Instrument Provisions or, as the case may be, the Floating Rate Instrument Provisions are applicable, upon the exercise by the Issuer of the Coupon Switch Option, from and including such Coupon Switch Option Date to but excluding the Maturity Date.

#### **5.7** *Benchmark Replacement*

- (i) *Benchmark Replacement (General)*: If Benchmark Replacement (General) is specified in the relevant Final Terms, then notwithstanding the foregoing provisions of this Condition 5, if the Issuer determines that a Benchmark Event has occurred in respect of a Reference Rate where any Interest Rate (or any component thereof) remains to be determined by reference to such Reference Rate, then the following provisions shall apply to the relevant Instruments (provided that paragraphs (a) to (c) of the definition of SONIA and paragraph (b) of the definition of SONIA Index Value, as applicable, shall apply prior to the provisions of this Condition 5.7(i)):
  - (a) The Issuer shall use reasonable endeavours to appoint an Independent Adviser, at the Issuer's own expense, to determine a Successor Reference Rate or, if such

Independent Adviser is unable so to determine a Successor Reference Rate, an Alternative Reference Rate and, in each case, an Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) for the purposes of determining the Interest Rate applicable to the Instruments for all future Interest Accrual Periods (subject to the subsequent operation of this Condition 5.7(i)).

- (b) Subject to paragraph (c) of this Condition 5.7(i), if
- (1) the relevant Independent Adviser (acting in good faith and in a commercially reasonable manner), no later than five Business Days prior to the Interest Determination Date relating to the next Interest Accrual Period (the “**IA Determination Cut-off Date**”) determines a Successor Reference Rate or, if such Independent Adviser fails so to determine a Successor Reference Rate, an Alternative Reference Rate and, in each case, an Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) for the purposes of determining the Interest Rate applicable to the Instruments for all future Interest Accrual Periods (subject to the subsequent operation of this Condition 5.7(i) during any other future Interest Accrual Period(s)); or
  - (2) the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer in accordance with paragraph (a) of this Condition 5.7(i) fails to determine a Successor Reference Rate or an Alternative Reference Rate prior to the relevant IA Determination Cut-off Date, the Issuer (acting in good faith and in a commercially reasonable manner), no later than three Business Days prior to the Interest Determination Date relating to the next Interest Accrual Period (the “**Issuer Determination Cut-off Date**”), determines a Successor Reference Rate or, if the Issuer fails to determine a Successor Reference Rate, an Alternative Reference Rate (as applicable) and, in each case, an Adjustment Spread (if any) (in any such case, acting in good faith and in a commercially reasonable manner) for the purposes of determining the Interest Rate applicable to the Instruments for all future Interest Accrual Periods (subject to the subsequent operation of this Condition 5.7(i) during any other future Interest Accrual Period(s);  
  
then:
  - (3) such Successor Reference Rate or Alternative Reference Rate (as applicable) shall be the Reference Rate for all future Interest Accrual Periods (subject to the subsequent operation of this Condition 5.7(i) during any other future Interest Accrual Period(s)).

Without prejudice to the definitions thereof, for the purposes of determining a Successor Reference Rate or Alternative Reference Rate, the Issuer will take into account relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets and such other materials as the Issuer,

acting in good faith and in a commercially reasonable manner, considers appropriate; and

- (4) If the relevant Independent Adviser or the Issuer (as applicable), acting in good faith and in a commercially reasonable manner:
  - I. determines that an Adjustment Spread is required to be applied to the Successor Reference Rate or Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to such Successor Reference Rate or Alternative Reference Rate (as applicable) for all future Interest Accrual Periods (subject to the subsequent operation of this Condition 5.7(i)); or
  - II. is unable to determine the quantum of, or a formula or methodology for determining, an Adjustment Spread, or determines that no such Adjustment Spread is required, then such Successor Reference Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread for all future Interest Accrual Periods (subject to the subsequent operation of this Condition 5.7(i)).

Without prejudice to the definition thereof, for the purposes of determining an Adjustment Spread (if any), the Issuer will take into account relevant and applicable market precedents as well as any published guidance from relevant associations involved in the establishment of market standards and/or protocols in the international debt capital markets and such other materials as the Issuer, acting in good faith and in a commercially reasonable manner, considers appropriate.

- (c) Notwithstanding paragraph (b) above, if
  - (1) the Independent Adviser appointed by the Issuer in accordance with paragraph (a) of this Condition 5.7(i) notifies the Issuer prior to the IA Determination Cut-off Date that it has determined that no Successor Reference Rate or Alternative Reference Rate exists;
  - (2) the Independent Adviser appointed by the Issuer in accordance with paragraph (a) of this Condition 5.7(i) fails to determine a Successor Reference Rate or an Alternative Reference Rate prior to the relevant IA Determination Cut-off Date, without notifying the Issuer as contemplated in sub-paragraph (c)(1) of this Condition 5.7(i), and the Issuer (acting in good faith and in a commercially reasonable manner) determines prior to the IA Determination Cut-off Date that no Successor Reference Rate or Alternative Reference Rate exists; or

- (3) neither a Successor Reference Rate nor an Alternative Reference Rate is otherwise determined in accordance with paragraph (2) above prior to the Issuer Determination Cut-off Date,

the Interest Rate applicable to the Instruments shall be (in respect of Floating Rate Instruments or Fixed to Floating Rate Instruments) the Interest Rate as at the last preceding Interest Determination Date or (in respect of a reset of the Interest Rate for Fixed Rate Instruments) the Interest Rate as at the last preceding reset date or, if none, as at the Interest Commencement Date.

This paragraph (c) shall apply to the relevant Interest Accrual Period or reset date only. Any subsequent Interest Accrual Period(s) or reset date(s) shall be subject to the operation of this Condition 5.7(i).

- (d) An Independent Adviser appointed pursuant to this Condition 5.7(i) will act in good faith and in a commercially reasonable manner, and (in the absence of bad faith, gross negligence or wilful misconduct) shall have no liability whatsoever to the Issuer, the Calculation Agent, any Paying Agent or the holders of a Series of Instruments 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 5.7(i).
- (e) The Principal Registrar, the First Alternative Registrar, the Second Alternative Registrar, each Paying Agent and any other agent appointed from time to time under the Issue and Paying Agency Agreement shall, at the direction and expense of the Issuer, effect such waivers and consequential amendments to the Issue and Paying Agency Agreement, these Terms and Conditions and any other document as may be necessary to give effect to any application of this Condition 5.7(i) (or any determination of SONIA or SONIA Index in accordance with the definitions thereof), including, but not limited to:
- (1) changes to these Terms and Conditions which the relevant Independent Adviser or the Issuer (as applicable) acting in good faith and in a commercially reasonable manner determines may be necessary in order to follow market practice (determined according to factors including, but not limited to, public statements, opinions and publications of industry bodies and organisations) in relation to SONIA, SONIA Index, such Successor Reference Rate or Alternative Reference Rate (as applicable), including, but not limited to (1) the relevant Business Centre(s), Business Day, Business Day Convention, Day Count Fraction, Interest Determination Date, Reference Banks, Relevant Financial Centre, Relevant Screen Page and/or Relevant Time applicable to the Instruments and (2) the method for determining the fallback to the Interest Rate in relation to the Instruments if SONIA (as determined in accordance with paragraphs (a) to (c) of the definition of "SONIA"), SONIA Index Value (as determined in accordance with paragraph (b) of the definition of SONIA Index Value), such Successor Reference Rate or Alternative Reference Rate (as applicable) is not available; and

- (2) any other changes which the relevant Independent Adviser or the Issuer (as applicable) acting in good faith and in a commercially reasonable manner determines are reasonably necessary to ensure the proper operation and comparability to the Reference Rate of such Successor Reference Rate or Alternative Reference Rate (as applicable).

No consent of the Holders shall be required in connection with effecting the relevant Successor Reference Rate or Alternative Reference Rate as described in this Condition 5.7(i) or such other relevant adjustments pursuant to this Condition 5.7(i), or any Adjustment Spread, including for the execution of, or amendment to, any documents or the taking of other steps by the Issuer or any of the parties to the Issue and Paying Agency Agreement (if required).

- (ii) *Benchmark Replacement (ARRC)*: If Benchmark Replacement (ARRC) is specified in the relevant Final Terms, then notwithstanding the foregoing provisions of this Condition 5, if the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date has occurred with respect to any Reference Rate prior to the Reference Time, then the following provisions shall apply to the relevant Instruments (provided that limb (c)(II) of the definition of SOFR and/or paragraph (b) of the definition of SOFR Index, as applicable, shall apply prior to the provisions of this Condition 5.7(i):

- (a) The Issuer shall use reasonable endeavours to appoint an Independent Adviser, at the Issuer's own expense, to determine the ARRC Benchmark Replacement (acting in good faith and in a commercially reasonable manner) for the purposes of determining the Interest Rate applicable to the Instruments for all future Interest Accrual Periods (subject to the subsequent operation of this Condition 5.7(ii)).

- (b) Subject to paragraph (c) of this Condition 5.7(ii), if:

- (1) the relevant Independent Adviser (acting in good faith and in a commercially reasonable manner), no later than five Business Days prior to the Interest Determination Date relating to the next Interest Accrual Period (the "**IA Determination Cut-off Date**"), determines the ARRC Benchmark Replacement (acting in good faith and in a commercially reasonable manner) for the purposes of determining the Interest Rate applicable to the Instruments for all future Interest Accrual Periods (subject to the subsequent operation of this Condition 5.7(ii) during any other future Interest Accrual Period(s)); or

- (2) the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by the Issuer in accordance with paragraph (a) of this Condition 5.7(ii) fails to determine the ARRC Benchmark Replacement prior to the relevant IA Determination Cut-off Date, and the Issuer (acting in good faith and in a commercially reasonable manner), no later than three Business Days prior to the Interest Determination Date relating to the next Interest Accrual Period (the "**Issuer Determination Cut-off Date**"), determines the ARRC Benchmark Replacement (acting in good faith and in a commercially reasonable manner) for the purposes of determining the Interest Rate applicable to the Instruments for all future Interest Accrual Periods

(subject to the subsequent operation of this Condition 5.7(ii) during any other future Interest Accrual Period(s)),

then such ARRC Benchmark Replacement shall replace the Reference Rate for all future Interest Accrual Periods (subject to the subsequent operation of this Condition 5.7(ii) during any other future Interest Accrual Period(s));

- (3) in connection with the implementation of an ARRC Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, and no consent of the Holders shall be required in connection with effecting the ARRC Benchmark Replacement (including any Benchmark Replacement Adjustment) or any other Benchmark Replacement Conforming Changes pursuant to this Condition 5.7(ii), including for the execution of, or amendment to, any documents or the taking of other steps by the Issuer or any of the parties to the Issue and Paying Agency Agreement (if required); and
- (4) any determination, decision or election that may be made by the Issuer or the Independent Adviser pursuant to this Condition 5.7(ii), including without limitation any determination with respect to tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer or the Independent Adviser's sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the Instruments, shall become effective without consent from any other party.

- (c) Notwithstanding paragraph (b) above, if the Independent Adviser appointed by the Issuer in accordance with paragraph (a) of this Condition 5.7(ii) or the Issuer cannot determine the ARRC Benchmark Replacement in accordance with paragraph (b) above (including being unable or unwilling to make such determination under limb (e)(x) of the definition of "ARRC Benchmark Replacement"), the Interest Rate applicable to the Instruments shall be (in respect of Floating Rate Instruments or Fixed to Floating Rate Instruments) the Interest Rate as at the last preceding Interest Determination Date or (in respect of a reset of the Interest Rate for Fixed Rate Instruments) the Interest Rate as at the last preceding reset date or, if none, as at the Interest Commencement Date.

This paragraph (c) shall apply to the relevant Interest Accrual Period or reset date only. Any subsequent Interest Accrual Period(s) or reset date(s) shall be subject to the operation of this Condition 5.7(ii).

- (d) An Independent Adviser appointed pursuant to this Condition 5.7(ii) will act in good faith and in a commercially reasonable manner, and (in the absence of bad faith, gross negligence or wilful misconduct) shall have no liability whatsoever to the Issuer, the Calculation Agent, any Paying Agent or the holders of a Series of

Instruments 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 5.7(ii).

- (iii) Notwithstanding any other provision in this Condition 5, in no event shall the Calculation Agent be required to exercise any discretion to determine, or be responsible for determining (i) any substitute rate for SONIA, Compounded Daily SONIA, Compounded Index SONIA, SOFR, Compounded Daily SOFR, SOFR Index, Compounded Index SOFR, or any Successor Reference Rate or Alternative Reference Rate or any ARRC Benchmark Replacement, (ii) any Adjustment Spread to any Successor Reference Rate or Alternative Reference Rate, or (iii) any consequential amendments to the provisions of or definitions in the Issue and Paying Agency Agreement, these Terms and Conditions or any other agreements, the Business Day Convention, Interest Determination Date, Interest Accrual Period and/or Observation Period or any other methodology for calculating any Successor Reference Rate or Alternative Reference Rate or any ARRC Benchmark Replacement. In connection with the foregoing, the Calculation Agent and the Fiscal Agent shall be entitled to conclusively rely on any determinations made by the Issuer or the Independent Adviser (as applicable) and shall have no liability for any determinations made by, or on behalf or at the direction of, or actions taken at the direction of, the Issuer or the Independent Adviser (as applicable).

#### **5.8** *Change of interest basis*

If the Instruments are specified as “Fixed to Floating Rate Instruments” in the relevant Final Terms, interest shall accrue and be payable on such Instruments:

- (a) with respect to the first Interest Accrual Period and such subsequent Interest Accrual Periods as are specified for this purpose in the relevant Final Terms, at a fixed Interest Rate in accordance with Condition 5.2 and the relevant Final Terms; and
- (b) with respect to each Interest Accrual Period thereafter and as are specified for this purpose in the relevant Final Terms, at a floating Interest Rate in accordance with Condition 5.4 and the relevant Final Terms.

### **6. Redemption and Purchase**

#### *Scheduled redemption*

- 6.1** Unless previously redeemed, purchased and cancelled, or unless such Instrument is stated in the Final Terms as having no fixed maturity date, the Instruments will be redeemed at their Final Redemption Amount, together with interest accrued (if any) (or, in the case of Instalment Instruments, in such number of instalments and in such amounts (“**Instalment Amounts**”) as may be specified in the provisions of the Final Terms), on the Maturity Date, as provided in Condition 7 (*Payments*).

#### *Redemption for tax reasons*

- 6.2** The Instruments may be redeemed at the option of the Issuer in whole, but not in part:



- (i) at any time (if the Floating Rate Instrument Provisions are specified in the Final Terms as not being applicable); or
- (ii) on any Interest Payment Date (if the Floating Rate Instrument Provisions are specified in the Final Terms as being applicable),

on giving not less than 30 or more than 60 days' notice to the Holders in accordance with Condition 14 (*Notices*), which notice shall be irrevocable, or as otherwise specified in the Final Terms, at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if:

- (i)
  - (a) the Issuer or, as the case may be, WNZL has or will become obliged (or would have become or would become so obliged if demand was made under the WNZL Deed of Guarantee) to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations or rulings of New Zealand or the United Kingdom or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations or rulings (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Instruments or any other date specified in the Final Terms; and
  - (b) such obligation cannot be avoided by the Issuer or, as the case may be, WNZL taking reasonable measures available to it; or
- (ii) the Issuer or, as the case may be, WNZL has or will become obliged (or would have become or would become so obliged if demand was made under the WNZL Deed of Guarantee) to pay additional amounts in respect of New Zealand non-resident withholding tax which may be, or which may become, applicable to the Instruments; and either:
  - (a) such obligation cannot be avoided by the Issuer or, as the case may be, WNZL paying (if it is not already doing so) New Zealand approved issuer levy at a rate not exceeding the rate of the levy charged at the date of issue of the first Tranche of the Instruments under Section 86J of the *Stamp and Cheque Duties Act 1971* of New Zealand (the "**Approved Issuer Levy Rate**") on the payments of principal or interest or taking any other reasonable measures available to it (but not including the payment of any additional approved issuer levy); or
  - (b) in order to avoid any New Zealand non-resident withholding tax (under current law or any change of law) the Issuer or, as the case may be, WNZL becomes obliged, as a result of any change in, or amendment to, the laws, regulations or rulings of New Zealand or any political subdivision thereof or any authority or agency therein or thereof having power to tax or any change in the application or in the interpretation or administration of any such laws, regulations or rulings, to pay an approved issuer levy at a rate exceeding the Approved Issuer Levy Rate

or incurs any other cost in excess of that applicable under New Zealand law at the date of issue of the first Tranche of the Instruments,

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

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

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer or, as the case may be, WNZL shall deliver to the Fiscal Agent:

- (A) a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and
- (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, WNZL has or will become obliged (or would have become or would become so obliged if demand was made under the WNZL Deed of Guarantee) to pay such additional amounts and that:
  - (i) (in the case of paragraph (i) above) the relevant obligation arises as a result of any such change or amendment as is specified in sub-paragraph (i)(a) above and cannot be avoided by the Issuer or, as the case may be, WNZL taking reasonable measures available to it;
  - (ii) (in the case of sub-paragraph (ii)(a) above) the relevant obligation cannot be avoided by the Issuer or, as the case may be, WNZL paying New Zealand approved issuer levy at a rate not exceeding the Approved Issuer Levy Rate or taking any other reasonable measures available to it (not including the payment of any additional approved issuer levy); or
  - (iii) (in the case of sub-paragraph (ii)(b) above) in order to avoid the relevant obligation, the Issuer or, as the case may be, WNZL would be obliged, as a result of any such change or amendment as is specified in that sub-paragraph, to pay approved issuer levy at a rate exceeding the Approved Issuer Levy Rate or to incur any other cost in excess of that applicable under New Zealand law at the date of issue of the first Tranche of the Instruments.

The Issuer may not exercise such option in respect of any Instrument which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Instrument under Condition 6.5 (*Redemption at the option of Holders*).

#### *Redemption at the option of the Issuer*

*This Condition 6.3 applies to Instruments which are subject to redemption prior to the Maturity Date at the option of the Issuer (other than for taxation reasons), such option being referred to as an "Issuer Call". The applicable Final Terms contains provisions applicable to any Issuer Call and must be read in conjunction with this Condition 6.3 for full information on any Issuer Call. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount, any minimum or maximum amount of Instruments which can be redeemed and the applicable notice periods.*

- 6.3** If Redemption at the option of the Issuer (Call) is specified in the Final Terms as being applicable, the Instruments may be redeemed at the option of the Issuer in whole or, if so specified in the Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer giving not less than five or more than 60 days' notice to the Holders in accordance with Condition 14 (*Notices*) (which notice shall be irrevocable and shall oblige the Issuer to redeem all of the Instruments of the relevant Series or, as the case may be, the Instruments specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

The Issuer may not exercise such option in respect of any Instrument which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Instrument under Condition 6.5 (*Redemption at the option of Holders*).

#### *Partial redemption*

- 6.4** If the Instruments are to be redeemed in part only on any date in accordance with Condition 6.3 (*Redemption at the option of the Issuer*):
- (i) in the case of Bearer Instruments (other than a Temporary Global Instrument or a Permanent Global Instrument) the Instruments to be redeemed shall be selected by the drawing of lots in such European city as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate;
  - (ii) in the case of a Temporary Global Instrument or a Permanent Global Instrument, the Instruments to be redeemed shall be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg and/or the CMU Service and/or any other relevant clearing system; and
  - (iii) in the case of Registered Instruments, the Instruments shall be redeemed (so far as may be practicable) *pro rata* to their principal amounts, provided always that the amount redeemed in respect of each Instrument shall be equal to the minimum denomination thereof or an integral multiple thereof,

subject always to compliance with applicable law and the rules of each listing authority and/or stock exchange on or by which the Instruments are then listed and/or traded and the notice to Holders referred to in Condition 6.3 (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Instruments so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

In the case of the redemption of part only of a Registered Instrument, a new Registered Instrument in respect of the unredeemed balance shall be issued in accordance with Conditions 3.4 to 3.9 which shall apply as in the case of a transfer of Registered Instruments as if such new Registered Instrument were in respect of the untransferred balance.

#### *Redemption at the option of Holders*

*This Condition 6.5 applies to Instruments which are subject to redemption prior to the Maturity Date at the option of the Holders, such option being referred to as an “Investor Put”. The applicable Final Terms contains provisions applicable to any Investor Put and must be read in conjunction with this Condition 6.5 for full information on any Investor Put. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount and the applicable notice periods.*

- 6.5** If Redemption at the option of the Holders (Put) is specified in the Final Terms as being applicable, the Issuer shall, at the option of the Holder of any Instrument, redeem such Instrument on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 6.5, the Holder of an Instrument must, not less than 45 days before the relevant Optional Redemption Date (Put), deposit with, any Paying Agent in the case of a Bearer Instrument, or the Registrar in the case of a Registered Instrument, such Instrument together with all unmatured Coupons relating thereto (other than any Coupon maturing on or before the Optional Redemption Date (Put) (failing which the provisions of Condition 7A.6 apply)) and a duly completed Put Option Notice in the form obtainable from, any Paying Agent or, as the case may be, the Registrar, specifying in the case of a Temporary Global Instrument or Permanent Global Instrument or Registered Instrument, the aggregate principal amount in respect of which such option is exercised (which must be the minimum denomination specified in the Final Terms or an integral multiple thereof). The Paying Agent with which an Instrument is so deposited shall deliver a duly completed Put Option Receipt to the depositing Holder. No Instrument, once deposited with a duly completed Put Option Notice in accordance with this Condition 6.5, may be withdrawn; provided, however, that if, prior to the relevant Optional Redemption Date (Put) any such Instrument becomes immediately due and payable, the relevant Holder at its option may elect by notice to the Paying Agent or, as the case may be, the Registrar to withdraw the Put Option Notice given pursuant to this Condition 6.5 and instead declare such Instrument to be forthwith due and payable pursuant to Condition 9 (*Events of Default*). For so long as any outstanding Instrument is held by a Paying Agent in accordance with this Condition 6.5, the depositor of such Instrument and not such Paying Agent shall be deemed to be the Holder of such Instrument for all purposes.

In the case of the redemption of part only of a Registered Instrument, a new Registered Instrument in respect of the unredeemed balance shall be issued in accordance with Conditions 3.4 to 3.9 which shall apply as in the case of a transfer of Registered Instruments as if such new Registered Instrument were in respect of the untransferred balance.

The Holder of an Instrument may not exercise such option in respect of any Instrument which is the subject of an exercise by the Issuer of its option to redeem such Instrument under either Condition 6.2 (*Redemption for tax reasons*) or Condition 6.3 (*Redemption at the option of the Issuer*).

#### *No other redemption*

- 6.6** The Issuer shall not be entitled to redeem the Instruments otherwise than as provided in Conditions 6.1 to 6.5 above.

#### *Early redemption of Zero Coupon Instruments*

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

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

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 6.7 or, if none is so specified, a Day Count Fraction of 30/360.

The figure resulting from such calculation shall be rounded to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). For this purpose a “sub-unit” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

#### *Purchase*

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

#### *Cancellation*

- 6.9** All Instruments so redeemed, and all unmatured Coupons attached to or surrendered with them, shall be cancelled and may not be reissued or resold and all Instruments so

purchased by the Issuer or any of its Subsidiaries and all unmatured Coupons attached to or surrendered with them may, at the option of the Issuer, be cancelled, held, reissued or resold.

## **7. Payments**

### *7A.3 Payments — Bearer Instruments*

7A.1 This Condition 7A is applicable in relation to Bearer Instruments.

#### *Principal*

7A.2 Payments of principal due in respect of Bearer Instruments shall be made only against presentation and (provided that payment is made in full, or it is the payment of the final Instalment Amount) surrender of the relevant Bearer Instruments at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account outside the United States denominated in that currency or to which such currency may be transferred and maintained by the payee with, a bank in the Principal Financial Centre of that currency.

Payment of Instalment Amounts (other than the final Instalment Amount) in respect of an Instalment Instrument which is a Definitive Instrument with Receipts will be made against presentation of the Instrument together with the relevant Receipt and surrender of such Receipt.

The Receipts are not and shall not in any circumstances be deemed to be documents of title, and if separated from the Instrument to which they relate, will not represent any obligation of the Issuer. Accordingly, the presentation of an Instrument without the relative Receipt or the presentation of a Receipt without the Instrument to which it appertains shall not entitle the Holder to any payment in respect of the relevant Instalment Amount.

#### *Interest*

7A.3 Payment of amounts in respect of interest on Bearer Instruments will be made:

- (i) in the case of a Temporary Global Instrument or Permanent Global Instrument, against presentation of the relevant Temporary Global Instrument or Permanent Global Instrument at the Specified Office of any of the Paying Agents outside New Zealand and (unless Condition 7A.4 (*Payments in New York City*) applies) the United States and, in the case of a Temporary Global Instrument, upon due certification as required therein by cheque drawn in the currency in which the payment is due on, or by transfer to an account outside the United States denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency;
- (ii) in the case of Definitive Instruments without Coupons attached thereto at the time of their initial delivery, against presentation of the relevant Definitive Instruments at the Specified Office of any of the Paying Agents outside New Zealand and (unless Condition 7A.4 (*Payments in New York City*) applies) the United States

by cheque drawn in the currency in which the payment is due on, or by transfer to an account outside the United States denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency; and

- (iii) in the case of Definitive Instruments delivered with Coupons attached thereto at the time of their initial delivery, against surrender of the relevant Coupons or, in the case of interest due otherwise than on a scheduled date for the payment of interest, against presentation of the relevant Definitive Instruments, in either case at the Specified Office of any of the Paying Agents outside New Zealand and (unless Condition 7A.4 (*Payments in New York City*) applies) the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account outside the United States denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.

#### *Payments in New York City*

- 7A.4 Payments of principal and interest on the Bearer Instruments and exchanges of Talons for Coupon Sheets in accordance with Condition 7A.7 (*Exchange of Talons*) may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Instruments in United States dollars, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of interest in United States dollars and (iii) payment is permitted by applicable United States law.

#### *Payments on business days*

- 7A.5 If the due date for payment of any amount in respect of any Instrument, Receipt or Coupon is not a Business Day in the place of presentation, the Holder shall not be entitled to payment in such place of the amount due until the next succeeding Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
- 7A.6 Each Definitive Instrument initially delivered with Coupons, Talons or Receipts attached thereto shall be presented and, save in the case of partial payment of the Redemption Amount, surrendered for final redemption together with all unmatured Receipts, Coupons and Talons relating thereto, failing which:
- (i) if the Final Terms specifies that this paragraph (i) of Condition 7A.6 is applicable (and, in the absence of specification this paragraph (i) shall apply to Definitive Instruments which bear interest at a fixed rate or rates or in fixed amounts) and subject as hereinafter provided, the amount of any missing unmatured Coupons (or, in the case of a payment not being made in full, that portion of the amount of such missing Coupon which the Redemption Amount paid bears to the total Redemption Amount due) (excluding, for this purpose, but without prejudice to

paragraph (iii) below, Talons) will be deducted from the amount otherwise payable on such final redemption, the amount so deducted being payable against surrender of the relevant Coupon at the Specified Office of any of the Paying Agents at any time within ten years of the Relevant Date applicable to payment of such Redemption Amount;

- (ii) if the Final Terms specifies that this paragraph (ii) of Condition 7A.6 is applicable (and, in the absence of specification, this paragraph (ii) shall apply to Instruments which bear interest at a floating rate or rates or in variable amounts) all unmatured Coupons (excluding, for this purpose, but without prejudice to paragraph (iii) below, Talons) relating to such Definitive Instruments (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them;
- (iii) in the case of Definitive Instruments initially delivered with Talons attached thereto, all unmatured Talons (whether or not surrendered therewith) shall become void and no exchange for Coupons shall be made thereafter in respect of them; and
- (iv) in the case of Definitive Instruments initially delivered with Receipts attached thereto, all Receipts relating to such Instruments in respect of a payment of an Instalment Amount which (but for such redemption) would have fallen due on a date after such due date for redemption (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them.

The provisions of paragraph (i) of this Condition 7A.6 notwithstanding, if any Definitive Instruments are issued with a Maturity Date and an Interest Rate or Interest Rates such that, on the presentation for payment of any such Definitive Instrument without any unmatured Coupons attached thereto or surrendered therewith, the amount required by paragraph (i) to be deducted would be greater than the Redemption Amount otherwise due for payment, then, upon the due date for redemption of any such Definitive Instrument, such unmatured Coupons (whether or not attached) shall become void (and no payment shall be made in respect thereof as shall be required so that, upon application of the provisions of paragraph (i) in respect of such Coupons as have not so become void, the amount required by paragraph (i) to be deducted would not be greater than the Redemption Amount otherwise due for payment). Where the application of the foregoing sentence requires some but not all of the unmatured Coupons relating to a Definitive Instrument to become void, the relevant Paying Agent shall determine which unmatured Coupons are to become void, and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.

#### *Exchange of Talons*

- 7A.7 In relation to Definitive Instruments initially delivered with Talons attached thereto, on or after the due date for the payment of interest on which the final Coupon comprised in any Coupon Sheet matures, the Talon comprised in the Coupon Sheet may be surrendered at the Specified Office of any Paying Agent outside (unless Condition 7A.4 (*Payments in New York City*) applies) the United States in exchange for a further Coupon Sheet (including any appropriate further Talon), subject to the provisions of Condition 10 (*Prescription*) below. Each Talon shall, for the purpose of these Conditions, be deemed



to mature on the Interest Payment Date on which the final Coupon comprised in the relevant Coupon Sheet matures.

*Payments other than in respect of matured Coupons*

7A.8 Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Instruments at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by Condition 7A.4 (*Payments in New York City*)).

*Partial payments*

7A.9 If a Paying Agent makes a partial payment in respect of any Instrument, Receipt or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

7B. *Payments - Registered Instruments*

7B.1 This Condition 7B is applicable in relation to Registered Instruments.

7B.2 Payment of the Redemption Amount due in respect of Registered Instruments (together with accrued interest thereon (if any)) will be made against presentation and, save in the case of partial payment of the Redemption Amount, surrender of the relevant Registered Instruments at the Specified Office of the Registrar. If the due date for payment of the Redemption Amount of any Registered Instrument is not a Business Day then the Holder thereof will not be entitled to payment thereof until the next Business Day and thereafter will be entitled to receive payment by cheque on any local banking day, and will be entitled to payment by transfer to a designated account on any day which is a local banking day, a Business Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Terms and Conditions in which event interest shall continue to accrue as provided in Condition 5 (*Interest*) as appropriate.

7B.3 Payment of amounts (whether principal, interest or otherwise) due (other than the Redemption Amount) in respect of Registered Instruments will be paid to the Holder thereof (or, in the case of joint Holders, the first-named) as appearing in the register kept by the Registrar as at the close of business (local time in the place of Euroclear or Clearstream, Luxembourg or the CMU Service or any other relevant clearing system) on the clearing system business day immediately prior to the date for payment, where for the purposes of this Condition 7B.3 “clearing system business day” means Monday to Friday inclusive except 25 December and 1 January before the due date for such payment (the “**Record Date**”).

7B.4 Payment of amounts (whether principal, interest or otherwise) due (other than the Redemption Amount) in respect of Registered Instruments will be made in the currency in which such amount is due by cheque to the Holder thereof (or, in the case of joint Holders, the first-named) on the Relevant Banking Day (as defined in Condition 3.6) not later than the relevant due date for payment unless prior to the relevant Record Date the

Holder thereof (or, in the case of joint Holders, the first-named) has applied to the Registrar and the Registrar has acknowledged such application for payment to be made to a designated account denominated in the relevant currency in which case payment shall be made on the relevant due date for payment by transfer to such account. In the case of payment by transfer to an account, if the due date for any such payment is not a Business Day, then the Holder thereof will not be entitled to payment thereof until the first day thereafter which is a Business Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Terms and Conditions in which event interest shall continue to accrue as provided in Condition 5 (*Interest*), as appropriate.

7C. *Payments - General Provisions*

7C.1 Save as otherwise specified in these Terms and Conditions, this Condition 7C is applicable in relation to both Bearer Instruments and Registered Instruments.

7C.2 Payments will, without prejudice to the provisions of Condition 8 (*Taxation*), be subject in all cases to any applicable fiscal or other laws and any other directives, agreements and administrative practices and procedures of fiscal and other authorities in relation to tax, anti-money laundering and other requirements which may apply to the payment of amounts due (whether in respect of principal, Redemption Amount, Instalment Amount, Interest Amount or otherwise) in respect of the Instruments (including, without limitation, any withholding or deduction arising under or in connection with FATCA). No commissions or expense shall be charged to the Holders of the Instruments, the Receipts or the Coupons in respect of such payments.

If any withholding or deduction arises under or in connection with FATCA, neither the Issuer nor WNZL will be required to pay any additional amount under Condition 8 (*Taxation*) on account of such withholding or deduction and, accordingly, the Issuer or WNZL, as the case may be, shall be acquitted and discharged of so much money as is represented by any such withholding or deduction as if such sum had been actually paid to the Holder(s) of the Instruments, the Receipts or the Coupons.

Except to the extent that the Issuer or WNZL is required to pay any additional amount under Condition 8 (*Taxation*) on account of a withholding or deduction, neither the Issuer nor WNZL will be required to pay any additional amount on account of a withholding or deduction for any taxes, duties, assessments or governmental charges of whatsoever nature required by law. If any such withholding or deduction is required, then the Issuer or WNZL, as the case may be, shall pay the amounts payable net of, and after deducting the applicable amount of, such withholding or deduction and shall account to the appropriate tax authority for the amount required to be withheld or deducted and, accordingly, the Issuer or WNZL, as the case may be, shall be acquitted and discharged of so much money as is represented by any such withholding or deduction as if such sum had been actually paid to the Holder(s) of the Instruments, the Receipts or the Coupons.

7C.3 For purposes of Section 7A, the "United States", when being used as a location, shall include the United States and its possessions.

## 8. Taxation

### *Gross up*

**8.1** All payments of principal and interest in respect of the Instruments, the Receipts and the Coupons by or on behalf of the Issuer or WNZL shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by or on behalf of New Zealand and/or the United Kingdom or any political subdivision or any authority thereof or therein having power to tax unless such withholding or deduction is required by law. In that event, the Issuer or (as the case may be) WNZL shall pay such additional amounts as will result in the receipt by the Holders of such amounts as would have been received by them if no such withholding or deduction had been required, except that no such additional amounts shall be payable in respect of any Instrument, Receipt or Coupon:

- (i) presented for payment or held by, or by a third party on behalf of, a Holder, or any beneficial owner of any interest in, or rights in respect of, such Instrument, Receipt or Coupon held by a Holder, who is liable to such taxes, duties, assessments or governmental charges in respect of such Instrument, Receipt or Coupon by reason of the Holder or beneficial owner having some connection (whether past or present) with New Zealand and/or the United Kingdom other than (a) the mere holding of such Instrument, Receipt or Coupon or (b) the receipt of principal, interest or any other amount in respect of such Instrument, Receipt or Coupon; or
- (ii) presented for payment or held by, or by a third party on behalf of, a Holder, or any beneficial owner of any interest in, or rights in respect of, such Instrument, Receipt or Coupon held by a Holder, who could lawfully avoid (but has not so avoided) such deduction or withholding by complying with any statutory requirements in force at the present time or in the future or by making a declaration of non-residence or other claim or filing for exemption; or
- (iii) presented for payment more than 30 days after the Relevant Date, except to the extent that the relevant Holder would have been entitled to such additional amounts if it had presented such Instrument, Receipt or Coupon on the last day of such period of 30 days; or
- (iv) on account of: (i) New Zealand resident withholding tax (under the Income Tax Act 2007 of New Zealand); and/or (ii) New Zealand non-resident withholding tax (under the Income Tax Act 2007 of New Zealand) imposed at a resident withholding tax rate as a consequence of a Holder or beneficial owner deriving interest under an Instrument jointly with one or more other persons at least one of which is a resident of New Zealand for income tax purposes; or
- (v) presented for payment by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the relevant Instrument, Receipt or Coupon to another Paying Agent; or

- (vi) for or on account of any withholding or deduction arising under or in connection with FATCA.

#### *New Zealand resident withholding tax*

**8.2** The Issuer may be required by New Zealand law to deduct New Zealand resident withholding tax from the payment of interest or other amounts to the Holder on any Interest Payment Date or, if applicable, the Maturity Date (as specified in the applicable Final Terms), if:

- (i) the Holder is a resident of New Zealand for income tax purposes or otherwise is a person, the payment of interest (as defined for New Zealand tax purposes) to whom will be subject to New Zealand resident withholding tax (a “**New Zealand Holder**”); and
- (ii) at the time of such payment the New Zealand Holder does not have RWT-exempt status (as defined in the *Income Tax Act 2007 of New Zealand*).

Prior to any Interest Payment Date or, if applicable, the Maturity Date (as specified in the applicable Final Terms), any New Zealand Holder:

- (i) must notify the Issuer, the Registrar or any Paying Agent (a) that the New Zealand Holder is the Holder of an Instrument and (b) if it derives interest under an Instrument jointly with any other Person, that it does so; and
- (ii) must notify the Issuer, the Registrar or any Paying Agent of any circumstances, and provide the Issuer, the Registrar or that Paying Agent with its New Zealand tax file number and any information (including notifying whether it has RWT-exempt status (as defined in the *Income Tax Act 2007 of New Zealand*)), that may enable the Issuer to make the payment of interest to the New Zealand Holder without deduction on account of New Zealand resident withholding tax.

A New Zealand Holder must notify the Issuer, prior to any Interest Payment Date or the Maturity Date (as specified in the applicable Final Terms) of any change in the New Zealand Holder’s circumstances from those previously notified that could affect the Issuer’s payment obligations in respect of any Instrument. By accepting payment of the full face amount of any Instrument or any interest thereon or other amounts in respect thereof on any Interest Payment Date or the Maturity Date, a New Zealand Holder agrees to indemnify the Issuer for all purposes in respect of any liability that the Issuer may incur for not deducting any amount from such payment on account of New Zealand resident withholding tax.

*Only a New Zealand Holder will be obliged to make the notifications referred to above and no other Holder will be required to do so.*

*Whilst the Instruments are held in Euroclear, Clearstream, Luxembourg, the CMU Service or any other clearing system, Euroclear, Clearstream, Luxembourg, the CMU Service and any such other clearing system shall not be responsible to the Issuer, the Registrar, any Paying Agent, its account holders credited with such Instruments or any other Person*

*with regard to the collection or preparation of certificates, or otherwise in connection with this Condition 8.2.*

**8.3** Any reference in these Terms and Conditions to “principal” and/or “interest” in respect of the Instruments shall be deemed also to refer to any additional amounts which may be payable under this Condition 8. Unless the context otherwise requires, any reference in these Terms and Conditions to “principal” shall include any premium payable in respect of an Instrument, any Instalment Amount or Redemption Amount and any other amounts in the nature of principal payable pursuant to these Terms and Conditions and “interest” shall include all amounts payable pursuant to Condition 5 (Interest) and any other amounts in the nature of interest payable pursuant to these Terms and Conditions.

**8.4** If the Issuer is, or becomes, subject at any time to any taxing jurisdiction(s) other than or in addition to New Zealand or the United Kingdom, references in Condition 6.2 (*Redemption for tax reasons*) and this Condition 8 shall be substituted by references to or (as the case may be) shall be construed as including references to such other taxing jurisdiction(s).

## **9. Events of Default**

**9.1** The following events or circumstances (each an “**Event of Default**”) shall be acceleration events in relation to the Instruments of any Series, namely:

- (i) the Issuer or WNZL fails to pay any amount of principal in respect of the Instruments of the relevant Series or any of them within seven days of the due date for payment thereof or fails to pay any amount of interest in respect of the Instruments of the relevant Series or any of them within 14 days of the due date for payment thereof; or
- (ii) the Issuer or WNZL defaults in the performance or observance of any of its or their other obligations under or in respect of any of the Instruments of the relevant Series, the Issue and Paying Agency Agreement or, in the case of WNZL, the WNZL Deed of Guarantee and (except in any case where such default is incapable of remedy when no such continuation or notice, as is hereinafter mentioned, will be required) such default remains unremedied for 30 days after written notice requiring such default to be remedied has been delivered to the Issuer or WNZL at the Specified Office of the Fiscal Agent by the Holder of any such Instrument; or
- (iii) an order is made or an effective resolution is passed for the Winding-Up of the Issuer or WNZL; or
- (iv) either the Issuer or WNZL ceases to carry on all or substantially all of its business other than under or in connection with a scheme of amalgamation or reconstruction not involving a bankruptcy or insolvency where the obligations of the Issuer or WNZL in relation to the outstanding Instruments are assumed (in the case of the Issuer) or unconditionally and irrevocably guaranteed (in the case of WNZL) by the successor entity to which all, or substantially all of the property, assets and undertaking of the Issuer or WNZL are transferred or where an

arrangement with similar effect not involving a bankruptcy or insolvency is implemented (a “**Solvent Reconstruction**”); or

- (v) an encumbrancer takes possession or a receiver is appointed of the whole or any substantial part of the assets or undertaking of, or an official manager is appointed to, the Issuer or WNZL or a distress or execution is levied or enforced upon or sued out against any substantial part of the assets or undertaking of the Issuer or WNZL and is not removed, paid out or otherwise discharged within 30 days unless the same is being contested in good faith; or
- (vi) either the Issuer or WNZL shall be unable to pay its debts as they fall due; or
- (vii) the WNZL Deed of Guarantee ceases to be, or is claimed by WNZL not to be, in full force and effect other than under or in connection with a Solvent Reconstruction.

**9.2** If any Event of Default shall occur in relation to any Series of Instruments, any Holder of an Instrument of the relevant Series may, by written notice to the Issuer and WNZL, at the specified office of the Fiscal Agent, declare that such Instrument and (if the Instrument is interest-bearing) all interest then accrued on such Instrument shall be forthwith due and payable, whereupon the same shall become immediately due and payable at its early termination amount (the “**Early Termination Amount**”) (which shall be its outstanding principal amount or, if such Instrument is a Zero Coupon Instrument, such amount as provided in Condition 6.7 (*Early redemption of Zero Coupon Instruments*)) or such other Early Termination Amount as may be specified in, or determined in accordance with the provisions of, the Final Terms), together with all interest (if any) accrued thereon without presentment, demand, protest or other notice of any kind, all of which the Issuer will expressly waive, anything contained in such Instruments to the contrary notwithstanding, unless, prior to receipt of such notice by the Fiscal Agent, all Events of Default in respect of the Instruments of the relevant Series shall have been remedied.

## **10. Prescription**

**10.1** Claims against the Issuer for payment of principal and interest in respect of Instruments will be prescribed and become void unless made, in the case of principal, within ten years or, in the case of interest, five years after the Relevant Date for payment thereof.

**10.2** In relation to Definitive Instruments initially delivered with Talons attached thereto, there shall not be included in any Coupon Sheet issued upon exchange of a Talon any Coupon which would be void upon issue pursuant to Condition 7A.7 or the due date for the payment of which would fall after the due date for the redemption of the relevant Instrument or which would be void pursuant to this Condition 10 or any Talon the Maturity Date of which would fall after the due date for redemption of the relevant Instrument.

## **11. The Paying Agents, the Registrars and the Calculation Agent**

**11.1** The initial Paying Agents and Registrars and their respective initial Specified Offices are specified below. The Calculation Agent in respect of any Instruments shall be specified in the Final Terms. The Issuer and WNZL reserve the right at any time to vary or terminate the appointment of any Paying Agent (including the Fiscal Agent) or any Registrar or the

Calculation Agent and to appoint additional or other Paying Agents or another Registrar or another Calculation Agent provided that they will at all times maintain (i) a Fiscal Agent, (ii) in the case of Registered Instruments, a Registrar, (iii) a Paying Agent (which may be the Fiscal Agent) with a Specified Office in a continental European city, (iv) so long as the Instruments are listed on the Official List of the UK Financial Conduct Authority and/or admitted to listing and/or trading on or by any other competent listing authority and/or stock exchange, a Paying Agent (which may be the Fiscal Agent) and a Registrar each with a Specified Office in London and/or in such other place as may be required by such competent listing authority and/or stock exchange, (v) in the circumstances described in Condition 7A.4, a Paying Agent with a Specified Office in New York City, (vi) a Calculation Agent where required by these Terms and Conditions applicable to any Instruments (in the case of (i), (ii), (iii) and (vi) with a Specified Office located in such place (if any) as may be required by these Terms and Conditions) and (vii) so long as any Instruments are represented by a Temporary Global Instrument or a Permanent Global Instrument which is held in the CMU Service, a Paying Agent with a Specified Office in Hong Kong. The Paying Agents, the Registrars and the Calculation Agent reserve the right at any time to change their respective Specified Offices to some other Specified Office in the same city. Notice of all changes in the identities or Specified Offices of any Paying Agent, the Registrars or the Calculation Agent will be given promptly by the Issuer to the Holders in accordance with Condition 14 (*Notices*).

- 11.2** The Paying Agents, the Registrars and the Calculation Agent act solely as agents of the Issuer and WNZL and, save as provided in the Issue and Paying Agency Agreement or any other agreement entered into with respect to its appointment, do not assume any obligations towards or relationship of agency or trust for any Holder of any Instrument, Receipt or Coupon and each of them shall only be responsible for the performance of the duties and obligations expressly imposed upon it in the Issue and Paying Agency Agreement or other agreement entered into with respect to its appointment or incidental thereto.

## **12. Replacement of Instruments**

If any Instrument, Receipt or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent or such Paying Agent or Paying Agents as may be specified for such purpose in the Final Terms (in the case of Bearer Instruments and Coupons) or of the Registrar (in the case of Registered Instruments) ("**Replacement Agent**") subject to all applicable laws and the requirements of any stock exchange and/or competent listing authority on or by which the Instruments are listed and/or traded upon payment by the claimant of all expenses incurred in connection with such replacement and upon such terms as to evidence, security, indemnity and otherwise as the Issuer and the Replacement Agent may require.

Mutilated or defaced Instruments, Receipts and Coupons must be surrendered before replacements will be delivered therefor.

## **13. Meetings of Holders and Modification**

The Issue and Paying Agency Agreement contains provisions (which shall have effect as if incorporated herein) for convening meetings of the Holders of Instruments of any Series to consider any matter affecting their interest, including (without limitation) the

modification by Extraordinary Resolution of these Terms and Conditions, the WNZL Deed of Guarantee and the Deed of Covenant insofar as the same may apply to such Instruments. Such a meeting may be convened by the Issuer and shall be convened upon a request in writing by Holders of Instruments holding not less than one-tenth of the outstanding principal amount of the Instruments for the time being outstanding of any Series. An Extraordinary Resolution passed at any meeting of the Holders of Instruments of any Series will be binding on all Holders of the Instruments of such Series, whether or not they are present at the meeting, and on all Holders of Coupons relating to Instruments of such Series.

Alternatively, Holders or any particular Series of Instruments may duly pass in writing either an Ordinary Resolution or an Extraordinary Resolution provided that such written resolution is signed by or on behalf of such Holders holding, in the case of an Ordinary Resolution, not less than a simple majority or, in the case of an Extraordinary Resolution, not less than three-fourths of the aggregate outstanding principal amount of the relevant Instruments.

The Issuer and, in the case of the WNZL Deed of Guarantee, WNZL may, with the consent of the Fiscal Agent, but without the consent of the Holders of the Instruments of any Series or Coupons, amend these Terms and Conditions, the Final Terms, the WNZL Deed of Guarantee and the Deed of Covenant insofar as they may apply to such Instruments to correct a manifest or a proven error as determined by the Issuer (acting reasonably). Subject as aforesaid, no other modification may be made to these Terms and Conditions, the WNZL Deed of Guarantee or the Deed of Covenant except with the sanction of an Extraordinary Resolution.

## **14. Notices**

### *To Holders of Bearer Instruments*

**14.1** Notices to Holders of Bearer Instruments will, save where another means of effective communication has been specified herein or in the Final Terms, be deemed to be validly given if:

- (i) published in a leading daily newspaper having general circulation in London (which is expected to be the *Financial Times*); or
- (ii) if such publication is not practicable, published in a leading English language daily newspaper having general circulation in Europe; or
- (iii) if permitted by the rules of the relevant competent listing authority and/or stock exchange, in the case of Instruments represented by a Temporary Global Instrument or Permanent Global Instrument, delivered to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system for communication by them to the Persons shown in their respective records as having interests therein; or
- (iv) in the case of Instruments represented by a Temporary Global Instrument or a Permanent Global Instrument which is held in the CMU Service, given to the Persons shown, in a “CMU Instrument Position Report” issued by the CMU



Service on the Business Day immediately before the preceding Interest Payment Date, or, (in the case of notices given pursuant to Condition 6.3 (*Redemption at the option of the Issuer*)) on the Business Day immediately before the date on which such notices are given, or any other date as agreed between the CMU Paying Agent or CMU Lodging Agent and the CMU Service holding interests in the relevant Temporary Global Instrument or Permanent Global Instrument, as the case may be.

The Issuer shall also ensure that notices are duly published in compliance with the requirements of each competent listing authority and/or stock exchange on or by which the Instruments are listed and/or traded. Any notice so given will be deemed to have been validly given: (a) on the date of first such publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers) or (b) unless it has been specified otherwise in the Final Terms on the date of such delivery to Euroclear and/or Clearstream, Luxembourg and/or such other clearing system or the Persons shown in the "CMU Instrument Position Report". Holders of Coupons will be deemed for all purposes to have notice of the contents of any notice given to Holders of Bearer Instruments in accordance with this Condition 14.1. A copy of each notice given pursuant to this Condition will in any event be delivered to Euroclear, Clearstream, Luxembourg, the CMU Service and/or any other relevant clearing system.

#### *To Holders of Registered Instruments*

- 14.2** Notices to Holders of Registered Instruments will be deemed to be validly given if sent by first class mail (or equivalent) or (if posted to an overseas address) by air mail to them (or, in the case of joint Holders, to the first-named in the register kept by the Registrar) at their respective addresses as recorded in the register kept by the Registrar, and will be deemed to have been validly given on the fourth weekday after the date of such mailing or, if posted from another country, on the fifth such day.

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

The Issuer may from time to time, without the consent of the Holders of any Instruments, Receipts or Coupons, create and issue further instruments, bonds or debentures having the same terms and conditions as such Instruments in all respects (or in all respects except for the first payment of interest, if any, on them and/or the denomination or the Issue Price thereof) so as to be consolidated to form a single series with the Instruments of any particular Series.

#### **16. Substitution of the Issuer**

- 16.1** The Issuer may, with respect to any Series of Instruments issued by it (the "**Relevant Instruments**") without the consent of any Holder, substitute for itself any other body corporate incorporated in any country in the world as the debtor in respect of the Instruments and the Issue and Paying Agency Agreement (the "**Substituted Debtor**") upon notice by the Issuer and the Substituted Debtor to be given by publication in accordance with Condition 14 (*Notices*), provided that:

- (i) the Issuer is not in default in respect of any amount payable under any of the Relevant Instruments;
- (ii) the Issuer and the Substituted Debtor have entered into such documents (the “**Documents**”) as are necessary to give effect to the substitution and in which the Substituted Debtor has undertaken in favour of each Holder of the Relevant Instruments to be bound by these Terms and Conditions, the provisions of the Issue and Paying Agency Agreement and the Deed of Covenant as the debtor in respect of such Instruments in place of the Issuer (or of any previous substitute under this Condition 16);
- (iii) if the Substituted Debtor is resident for tax purposes in a territory (the “**New Residence**”) other than that in which the Issuer prior to such substitution was resident for tax purposes (the “**Former Residence**”), the Documents contain an undertaking and/or such other provisions as may be necessary to ensure that each Holder of the Relevant Instruments has the benefit of an undertaking in terms corresponding to the provisions of Condition 8 (*Taxation*) and the Substituted Debtor has the benefit of rights in terms corresponding to Condition 6.2 (*Redemption for tax reasons*) with, where applicable, the substitution of references to the Former Residence with references to the New Residence;
- (iv) WNZL guarantees the obligations of the Substituted Debtor in relation to outstanding Relevant Instruments on terms in all material respects similar to the WNZL Deed of Guarantee;
- (v) the Substituted Debtor and the Issuer have obtained all necessary governmental approvals and consents for such substitution and for the performance by the Substituted Debtor of its obligations under the Documents and for the performance by the Issuer of its obligations under the guarantee referred to above as they relate to the obligations of the Substituted Debtor under the Documents;
- (vi) each competent listing authority and/or stock exchange, on or by which the Relevant Instruments are admitted to listing and/or trading shall have confirmed that, following the proposed substitution of the Substituted Debtor, the Relevant Instruments will continue to be admitted to listing and/or trading by the relevant competent listing authority and/or stock exchange; and
- (vii) if applicable, the Substituted Debtor has appointed a process agent as its agent in England and Wales to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Relevant Instruments and any Coupons.

**16.2** Upon such substitution the Substituted Debtor shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Relevant Instruments and the Issue and Paying Agency Agreement with the same effect as if the Substituted Debtor had been named as the Issuer therein, and the Issuer shall be released from its obligations under the Relevant Instruments and under the Issue and Paying Agency Agreement.

- 16.3** After a substitution pursuant to Condition 16.1, the Substituted Debtor may, without the consent of any Holder, effect a further substitution. All the provisions specified in Conditions 16.1 and 16.2 shall apply *mutatis mutandis*, and references in these Terms and Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substituted Debtor.
- 16.4** After a substitution pursuant to Condition 16.1 or 16.3 any Substituted Debtor may, without the consent of any Holder, reverse the substitution, *mutatis mutandis*.
- 16.5** The Documents shall be delivered to, and kept by, the Fiscal Agent. Copies of the Documents will be available free of charge at the Specified Office of each of the Paying Agents.

**17. Currency Indemnity**

The currency or currencies in which the Instruments are payable from time to time, as specified in these Terms and Conditions or the Final Terms (each a “**Contractual Currency**” and together the “**Contractual Currencies**”), is the only currency or are the only currencies of account and payment for applicable sums payable by the Issuer or WNZL in respect of the Instruments, including damages. Any amount received or recovered in a currency other than the Contractual Currency applicable to the payment to which such amount is referable (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction or otherwise) by any Holder of an Instrument, Receipt or Coupon in respect of any sum expressed to be due to it from the Issuer or WNZL in such Contractual Currency shall only constitute a discharge to the Issuer or WNZL to the extent of the amount in such Contractual Currency which such Holder 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 that amount is less than the amount in the applicable Contractual Currency expressed to be due to any Holder of an Instrument or Coupon in respect of such Instrument, Receipt or Coupon, the Issuer or WNZL shall indemnify such Holder against any loss sustained by such Holder as a result. In any event, the Issuer or WNZL shall indemnify each such Holder against any cost of making such purchase which is reasonably incurred. These indemnities constitute separate and independent obligations from the Issuer’s or WNZL’s other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder of an Instrument, Receipt or Coupon and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due in respect of the Instruments, Receipts or Coupons or any judgment or order. Any such loss aforesaid shall be deemed to constitute a loss suffered by the relevant Holder of an Instrument or Coupon and no proof or evidence of any actual loss will be required by the Issuer or WNZL.

**18. Waiver and Remedies**

No failure to exercise, and no delay in exercising, on the part of the Holder of any Instrument, any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right. Rights hereunder shall be in addition to all other rights provided by law.

No notice or demand given in any case shall constitute a waiver of rights to take other action in the same, similar or other instances without such notice or demand.

## **19. Law and Jurisdiction**

- 19.1** The Instruments, the WNZL Deed of Guarantee, the Issue and Paying Agency Agreement and the Deed of Covenant are governed by, and shall be construed in accordance with, English law. Any matter, claim or dispute arising out of or in connection with the Instruments, the WNZL Deed of Guarantee, the Issue and Paying Agency Agreement and the Deed of Covenant, whether contractual or non-contractual, is governed by, and shall be determined in accordance with, English law.
- 19.2** Subject as provided in Condition 19.4, the courts of England and Wales have exclusive jurisdiction to settle any dispute (a “**Dispute**”) arising from or connected with the Instruments.
- 19.3** Each of the Issuer and WNZL agrees that the courts of England and Wales are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- 19.4** Condition 19.2 is for the benefit of the Holders of the Instruments only. As a result, nothing in this Condition 19 shall prevent any Holder of the Instruments from taking proceedings relating to a Dispute (“**Proceedings**”) in any other courts with jurisdiction. To the extent allowed by law, Holders of the Instruments may take concurrent Proceedings in any number of jurisdictions.
- 19.5** The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to it at Camomile Court, 23 Camomile Street, London EC3A 7LL, United Kingdom or at any address of the Issuer in Great Britain at which service of process may be served on it in accordance with Parts 34 and 37 of the Companies Act 2006. Nothing in this Condition shall affect the right of any Holder of Instruments to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and Wales and to Proceedings elsewhere.
- 19.6** WNZL agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to the Issuer at Camomile Court, 23 Camomile Street, London EC3A 7LL, United Kingdom or, if different, its registered office for the time being or at any address of WNZL in Great Britain at which process may be served on it in accordance with Parts 34 and 37 of the *Companies Act 2006*. If the Issuer is not or ceases to be effectively appointed to accept service of process on behalf of WNZL, WNZL shall appoint a further Person in England and Wales to accept service of process on its behalf. Nothing in this Condition shall affect the right of any Holder of Instruments to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and Wales and to Proceedings elsewhere.

**20. Third Parties**

No Person shall have any right to enforce any term or condition of any Instrument under the *Contracts (Rights of Third Parties) Act 1999* but this shall not affect any right or remedy of a third party which exists or is available apart from that Act.

**PRO FORMA FINAL TERMS**  
**(less than €100,000)**

*Set out below is the form of Final Terms which will be completed for each Tranche of Instruments under the Programme with a denomination of less than €100,000 (or its equivalent in another currency), amended (if necessary) and completed to reflect the particular terms of the relevant Instruments and their issue.*

**[PROHIBITION OF SALES TO EEA AND UNITED KINGDOM RETAIL INVESTORS** – The Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”) or in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Instruments or otherwise making them available to retail investors in the EEA or in the United Kingdom has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the EEA or in the United Kingdom may be unlawful under the PRIIPs Regulation.]<sup>1</sup>

**[MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Instruments has led to the conclusion that: (i) the target market for the Instruments is eligible counterparties and professional clients only, each as defined in [MiFID II/Directive 2014/65/EU (as amended, “**MiFID II**”)]; and (ii) all channels for distribution of the Instruments to eligible counterparties and professional clients are appropriate. [Consider any negative target market.] Any person subsequently offering, selling or recommending the Instruments (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]<sup>2</sup>

**[NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME:** The Instruments are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in

---

<sup>1</sup> Legend to be included on front of the Final Terms if the Instruments potentially constitute “packaged” products and no key information document will be prepared or the issuer wishes to prohibit offers to EEA and United Kingdom retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

<sup>2</sup> Legend to be included where the Issuer and/or the Dealer(s) are Manufacturers for MiFID II purposes.

**FINAL TERMS**

Series No.: [●]

Tranche No.: [●]

**WESTPAC SECURITIES NZ LIMITED**

**Programme for the Issuance of Debt Instruments**

**Issue of**

***[Aggregate Principal Amount of Tranche] [Title of Instruments]***

**by Westpac Securities NZ Limited**

**Legal Entity Identifier (LEI): 549300W0N3O6Q4RCKE25**

**Guaranteed by Westpac New Zealand Limited (“WNZL”)**

**Legal Entity Identifier (LEI): 549300MW73M5PK1PNG73**

[The Base Prospectus dated 17 December 2020 referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Instruments with a minimum denomination of less than €100,000 (or its equivalent in any other currency) will (i) only be admitted to trading on an [EEA/European Economic Area (“**EEA**”)] or United Kingdom regulated market (as defined in [Directive 2014/65/EU (as amended, “**MiFID II**”)/MiFID II]), or a specific segment of an EEA or United Kingdom regulated market, to which only qualified investors (as defined in [Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”)/the Prospectus Regulation]) can have access (in which case they shall not be offered or sold to persons who are not qualified investors (as defined in the Prospectus Regulation)) or (ii) only be offered to the public in a Member State of the EEA or in the United Kingdom pursuant to an exemption under Article 1(4) of the Prospectus Regulation. Accordingly, any person making or intending to make an offer of those Instruments may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of 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 any of them authorise, the making of any offer of Instruments in any other circumstances.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the base prospectus dated 17 December 2020 [and the

---

<sup>3</sup> Issuer to determine whether the Instruments remain as prescribed capital markets products at each drawdown. Legend for prescribed capital markets products should be used unless Issuer determines otherwise.

supplement to the base prospectus dated [●], which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of the Prospectus Regulation. This document constitutes the Final Terms of the Instruments described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information. The Base Prospectus is available for viewing at Camomile Court, 23 Camomile Street, London EC3A 7LL, United Kingdom, and at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> and copies may be obtained from the Specified Offices of the Paying Agents.]



## PART A – Contractual Terms

- |     |   |  |
|-----|---|--|
| 1.  | Issuer:   | Westpac Securities NZ Limited  |
| 2.  | Guaranteed by Westpac New Zealand Limited:  | Yes  |
| 3.  | Syndicated:   | [Applicable/Not Applicable]  |
|     | (i) If syndicated, names and addresses of Dealers [and underwriting commitments]; | [Not Applicable/[●]]   |
|     | (ii) Date of Subscription Agreement   | [●]  |
| 4.  | If not syndicated, Relevant Dealer/Lead Manager:                                  | [(Name (and address))]/[Not Applicable]  |
| 5.  | Date of Board Approval of:  |  |
|     | (i) Issuer:   | [●]/[Not applicable, save as discussed in paragraph 2 of the section entitled “General Information” in the Base Prospectus]                                |
|     | (ii) WNZL:  | [●]  |
| 6.  | Specified Currency:   |  |
|     | (i) of denomination:  | [●]  |
|     | (ii) of payment   | [●]/[●] for the payment of any Interest Amount, and [●] for the payment of any other amount in respect of the Instruments, including the Redemption Amount |
| 7.  | Aggregate Principal Amount of Tranche:  | [●]  |
| 8.  | If interchangeable with existing Series, Series No:                               | [●]  |
| 9.  | (i) Issue Date:   | [●]  |
|     | (ii) Interest Commencement Date:  | [●]  |
| 10. | Issue Price:  | [●]  |
| 11. | Maturity Date:  | [●], subject to adjustment in accordance with the Business Day Convention specified in paragraph [22(iv), 23(vii), 24(iv)]                                 |

12. Expenses: [●]
13. (i) Form of Instruments: [Bearer/Registered]
- (ii) Bearer Instruments exchangeable for Registered Instruments: [Yes/No]
14. If issued in Bearer form: [Temporary Global Instrument]/[Permanent Global Instrument]
- (i) Initially represented by a Temporary Global Instrument or Permanent Global Instrument:
- (ii) Temporary Global Instrument exchangeable for a Permanent Global Instrument or for Definitive Instruments and/or [(if the relevant Series comprises both Bearer Instruments and Registered Instruments)] Registered Instruments: [Yes/No]  
[The Exchange Date shall be [●]]
- (iii) Specify date (if any) from which exchanges for Registered Instruments will be made: [●]/[Exchanges may be made at any time.]
- (iv) Permanent Global Instrument exchangeable at the option of the bearer for Definitive Instruments and/or (if the relevant Series comprises both Bearer Instruments and Registered Instruments) Registered Instruments: [No. Permanent Global Instruments are only exchangeable for Definitive Instruments in the limited circumstances set out in Condition 2.5.]
- (v) Talons for future Coupons to be attached to Definitive Instruments: [Yes/No.] [As the Instruments have more than 27 Coupons, Talons will be attached]]
- (vi) Receipts to be attached to Instalment Instruments which are Definitive Instruments: [Yes/No] [The following Receipts will be attached to the Instruments [●]]
15. If issued in Registered form: [Regulation S Global Note (US\$/€[●] nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority]]

- [Rule 144A Global Note (US\$[●] nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority]]
16. Denomination(s): [[●] and integral multiples of [●] in excess thereof up to and including [●]. No Definitive Instruments will be issued with a denomination above [●]]
17. Calculation Amount: [●]
18. Partly Paid Instruments: [Yes/No]
- (i) Number of instalments: [●]
- (ii) Amount of each instalment: [●]
- (iii) Date(s) of payment: [●]
- (iv) Method of payment: [●]
- (v) First Forfeiture Date: [●]
19. If issued in Registered Form: [●]
- Registrar:
20. Interest: [[●] per cent. Fixed Rate]
- [●] month
- [[USD LIBOR/GBP LIBOR/CAD LIBOR/EURIBOR/CHF LIBOR/JPY LIBOR/CNH HIBOR/HIBOR/SIBOR/SONIA/SONIA Index/SOFR/SOFR Index] [+/-[●]] per cent. Floating Rate]
- [Zero Coupon]
- [Fixed Rate Reset]
- [Fixed to Floating]
21. Change of interest basis [Applicable. The Instruments are Fixed to Floating Rate Instruments. Further details on the applicable Interest Rate are specified in

paragraphs 22 and 24 of these Final Terms below.] / [Not Applicable]

22. Fixed Rate Instrument Provisions: [Applicable/Not Applicable/Applicable for the period from and including [●] to but excluding [●]]
- (i) Interest Rate[(s)]: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [●] in each year [subject to adjustment in accordance with the Business Day Convention specified in paragraph 22(iv)/[No Adjustment]
- (iii) Interest Period End Date(s): [●]/Interest Payment Dates
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention/Eurodollar Convention/No Adjustment]
- [- for Interest Payment Dates: [●]]
- [- for Interest Period End Dates: [●]]
- [- for Maturity Date: [●]]
- [- any other date: [●]]
- (v) Fixed Coupon Amount[(s)]: [●] per Calculation Amount
- (vi) Day Count Fraction: ["Actual/Actual (ICMA)"/"Actual/365"/"Actual/Actual (ISDA)"/"Actual/365 (Fixed)"/"Actual/360"/"30/360"/"30E/360"/"Eurobond Basis"/ "30E/360 (ISDA)"]
- (vii) Broken Amount(s): [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
- (viii) Accrual Feature: [Not Applicable]/[Applicable]
- Applicable Swap Rate: [USD-ISDA-Swap Rate/[●] (as defined in the ISDA Definitions)]
- Applicable Rate thresholds: Greater than or equal to [●] per cent. and less than or equal to [●] per cent.

- Observation Period: [The period which starts [●] New York and London Banking Days prior to the beginning of the relevant Interest Accrual Period and ends [●] New York and London Banking Days prior to the end of such Interest Accrual Period]/[Interest Accrual Period]
  - Designated Maturity: [●]
  - (ix) Additional Business Centre(s): [Not Applicable]/[●]
  - (x) Interest Accrual Periods to which Fixed Rate Instruments Provisions are applicable: [All] / [The Instruments are Fixed to Floating Rate Instruments, and Fixed Rate Instruments Provisions shall apply for the following Interest Accrual Periods: from and including [●] to but excluding [●]]
23. Fixed Rate Reset Instrument Provisions: [Applicable/Not Applicable]
- (i) Initial Rate of Interest: [●] per cent. per annum payable [annually/semi-annually/quarterly/monthly/other] in arrear
  - (ii) Fixed Rate Reset Date(s): [●]
  - (iii) Reset Rate(s): [[●] per cent. per annum payable [annually/semi-annually/quarterly/monthly/other] in arrear]/[A rate per annum equal to the sum of (a) the Reset Reference Rate and (b) the Mid-Swap Re-Offer Spread]
  - (iv) Reset Reference Rate: [Mid-Market Swap Rate]/[Not Applicable]
    - Relevant Screen Page: [●]/[Not Applicable]
    - Mid-Swap Maturity: [●]/[Not Applicable]
  - (v) Interest Payment Dates: [●]
  - (vi) Interest Period End Date(s): [●]
  - (vii) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention/Eurodollar Convention/No adjustment]
    - [for Interest Payment Dates:

- [for Interest Period End Dates: [●]]
- [for Maturity Date: [●]]
- (viii) Additional Business Centre(s): [●]
  - [Auckland, New Zealand]
  - [Wellington, New Zealand]
  - [Sydney, Australia]
  - [London, United Kingdom]
  - [●]
- (ix) Fixed Coupon Amount(s): [●] per [●]
- (x) Broken Amount(s): [●]/[Not Applicable]
- (xi) Day Count Fraction:
  - [Actual/365]
  - [Actual/365 (Fixed)]
  - [30/360]
  - [Actual/Actual (ICMA)]
  - [Actual/360]
  - [30E/360]
  - [30E/360 (ISDA)]
  - [RBA Bond Basis/Australian Bond Basis]
  - [Eurobond Basis]
  - [Not adjusted]
- (xii) Accrual Feature: [Applicable]/[Not Applicable]
  - Applicable Swap Rate: [USD-ISDA-Swap Rate/[●] (as defined in the ISDA Definitions)]
  - Applicable Swap Rate thresholds: Greater than or equal to [●] per cent. and less than or equal to [●] per cent.
  - Observation Period:
    - [Interest Accrual Period]/[ [●]New York and London Banking Days prior to the beginning of the relevant Interest Accrual Period and ending [●] New York and London Banking Days prior to the end of the relevant Interest Accrual Period]
  - Designated Maturity: [●]
- (xiii) Determination Date: [●]
- (xiv) Mid-Swap Re-Offer Spread: [●]
- (xv) Reset Determination Date(s): [●]/[Not Applicable]

(xvi) Reset Rate Time:	[●]/[Not Applicable]
24. Floating Rate Instrument Provisions:	[Applicable/Not Applicable/Applicable for the period from and including [●] to but excluding [●]]
(i) Specified Period(s):	[●]
(ii) Interest Payment Dates:	[●], subject to adjustment in accordance with the Business Day Convention specified in paragraph [24(iv)]
(iii) Interest Period End Dates or (if the applicable Business Day Convention below is the FRN Convention) Interest Accrual Period:	[●]/Interest Payment Dates
(iv) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention/Eurodollar Convention/No Adjustment]
[- for Interest Payment Dates:	[●]
[- for Interest Period End Dates:	[●]
[- for Maturity Date:	[●]
[- any other date:	[●]
(v) Additional Business Centre(s):	[Not Applicable]/[●]
(vi) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/BBSW Rate Determination]
(vii) Party responsible for calculating the Interest Rate(s) and Interest Amount(s) (if not the Calculation Agent):	[[●] shall be the Calculation Agent]
(viii) Screen Rate Determination:	[Applicable/Applicable (Overnight Rate)/Applicable (Term Rate)/Not Applicable]
– Reference Rate:	month [●] [except for the Interest Period ending on [●] in which the Interest Rate will be determined using a linear interpolation between [●] month [●] and [●] month [●]]

– Relevant Screen Page:	[●] [Not Applicable]
– Interest Determination Date(s): <sup>4</sup>	[●] [[●] Banking Days/London Banking Days ( <i>if SONIA</i> )/U.S. Government Securities Business Days ( <i>if SOFR</i> ) prior to the end of each Interest Accrual Period] [[●] U.S. Government Securities Business Days following the end of each Interest Accrual Period, provided that in respect of the final Interest Accrual Period, the Interest Determination Date shall be [●] U.S. Government Securities Business Days following the Cut-off Date]
–[SONIA Averaging Method:	[Compounded Daily] [Compounded Index]]
– [SOFR Averaging Method:	[Compounded Daily] [Compounded Index][Weighted Average]]
– [Observation Look-Back Period:	[●] London Banking Days ( <i>if SONIA</i> )/U.S. Government Securities Business Days ( <i>if SOFR</i> )
– [Observation Method:	[Lag] [Lock-out] [Payment Delay] [Shift] [Not Applicable]]
– [Cut-off Date:	[●] U.S. Government Securities Business Days prior to the Maturity Date [or Optional Redemption Date [(Call)/(Put)], as applicable]]
– Relevant Time:	[●][Not Applicable]
– Relevant Financial Centre:	[●]
(ix) ISDA Determination:	[Applicable/Not Applicable]
– Floating Rate Option:	[●]
– Designated Maturity:	[●] [except for the Interest Period ending on [●] in which the Interest Rate will be determined using a linear interpolation between [●] month [●] and [●] month [●]]
– Reset Date:	[●]
(x) Margin(s):	[+/-][●] per cent. per annum

---

<sup>4</sup> Unless otherwise agreed with the Calculation Agent, the Interest Determination Date for Instruments cleared through Euroclear/Clearstream must be at least five London Banking Days prior to the Interest Payment Date.



(xi)	Minimum Interest Rate:	[●] per cent. per annum
(xii)	Maximum Interest Rate:	[●] per cent. per annum
(xiii)	Day Count Fraction:	["Actual/Actual (ICMA)"/"Actual/365"/"Actual/Actual (ISDA)"/"Actual/365 (Fixed)"/"Actual/360"/"30/360"/"30E/360"/"Eurobond Basis"/"30E/360 (ISDA)"]
(xiv)	Interest Accrual Periods to which Floating Rate Instrument Provisions are applicable	[All] / [The Instruments are Fixed to Floating Rate Instruments, and Floating Rate Instruments Provisions shall apply for the following Interest Accrual Periods: from and including [●] to but excluding [●]]
(xv)	Accrual Feature:	[Not Applicable]/[Applicable]
	– Applicable Swap Rate:	[USD-ISDA-Swap Rate/[●]]
	– Applicable Swap Rate thresholds:	Greater than or equal to [●] per cent. and less than or equal to [●] per cent.
	– Observation Period:	[the period which starts [●] New York and London Banking Days prior to the beginning of the relevant Interest Accrual Period and ends [●] New York and London Banking Days prior to the end of such Interest Accrual Period]/[Interest Accrual Period]
	– Designated Maturity:	[●]
(xvi)	Broken Amounts:	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
25.	Zero Coupon Instrument Provisions:	[Applicable/Not Applicable]
(i)	Accrual Yield:	[●] per cent. per annum
(ii)	Reference Price:	[●]
(iii)	Day Count Fraction:	["Actual/Actual ICMA)"/"Actual/365"/"Actual/Actual (ISDA)"/"Actual/365 (Fixed)"/"Actual/360"/"30/360"/"30E/360"/"Eurobond Basis"/"30E/360 (ISDA)"]
(iv)	Additional Business Centre(s)	[Not Applicable]/[●]

26.	Benchmark Replacement:	[Benchmark Replacement (General) / Benchmark Replacement (ARRC) / Not Applicable]
27.	Default Interest Rate:	[Interest Rate]/[●]
28.	Dates for payment of Instalment Amounts (Instalment Instruments):	[●]
29.	Final Redemption Amount of each Instrument:	As determined in accordance with Condition [●] / [●] per Calculation Amount
30.	Instalment Amounts:	[●]
31.	Early Redemption for Tax Reasons:	[Applicable/Not Applicable]
	(i) Early Redemption Amount of each Instrument (Tax):	[●] per Calculation Amount
	(ii) Date after which changes in law, etc. entitle Issuer to redeem:	[●]/[Issue Date]
32.	Coupon Switch Option:	[Applicable/Not Applicable]
33.	Coupon Switch Option Date:	[●]
34.	Redemption at the option of the Issuer (Call):	[Applicable/Not Applicable]
	(i) Optional Redemption Date (Call):	[●]
	(ii) Series redeemable in part:	[Yes/No]
	(iii) Optional Redemption Amount (Call) of each Instrument:	[●] per Calculation Amount
	(iv) Notice period:	[●]
35.	Partial redemption (Call):	[Applicable/Not Applicable]
	(i) Minimum Redemption Amount:	[●] per Calculation Amount
	(ii) Maximum Redemption Amount	[●] per Calculation Amount
	(iii) Notice period:	[●]
36.	Redemption at the option of the Holders (Put):	[Applicable/Not Applicable]

(i)	Optional Redemption Date(s) (Put):	[●]
(ii)	Optional Redemption Amount (Put) of each Instrument:	[●] per Calculation Amount
(iii)	Notice period:	[●]
37.	Events of Default:	
	Early Termination Amount:	[●]
38.	Payments:	
	Unmatured Coupons missing upon Early Redemption:	[Condition [7A.6(i)] applies]/[Condition [7A.6(ii)] applies]
39.	Replacement of Instruments:	[●]
40.	Calculation Agent:	[●]/[Not Applicable]
41.	Notices:	Condition 14 applies
42.	Selling Restrictions:	
	United States of America:	[Regulation S Category 2 restrictions apply to the Instruments]
		[[TEFRA C/TEFRA D] Rules apply to the Instruments]/[TEFRA Not Applicable]
		Instruments [are/are not] Rule 144A eligible
		[Exchange Date is [●]]
	Prohibition of Sales to EEA and United Kingdom Retail Investors:	[Applicable/Not Applicable]
		<i>(If the Instruments clearly do not constitute “packaged” products, or the Instruments do constitute “packaged” products and a key information document will be prepared, “Not Applicable” should be specified. If the Instruments may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)</i>

**[THIRD PARTY INFORMATION]**

[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

**WESTPAC SECURITIES NZ LIMITED**

(as Issuer)

By: \_\_\_\_\_

Authorised officer:

Name:

Date:

By: \_\_\_\_\_

Authorised officer:

Name:

Date:

**WESTPAC NEW ZEALAND LIMITED**

(as WNZL)

By: \_\_\_\_\_

Authorised officer:

Name:

Date:

## PART B – Other information

### 1. Listing

- (i) Listing: [Yes, to be admitted to the Official List of the UK Financial Conduct Authority]
- (ii) Admission to trading: [Application has been made for the Instruments to be admitted to trading on the London Stock Exchange’s regulated market with effect from [●]]

### 2. Ratings

Ratings of the Instruments: [S&P Global Ratings Australia Pty Limited: [●]] / [N/A]

[Moody’s Investors Service Pty Limited: [●]] / [N/A]

Neither S&P Global Ratings Australia Pty Limited nor Moody’s Investors Service Pty Limited is established in the European Union or has applied for registration under Regulation (EU) No. 1060/2009, as amended (the “**CRA Regulation**”). However, S&P Global Ratings Australia Pty Limited is endorsed by S&P Global Ratings Europe Limited and Moody’s Investors Service Pty Limited is endorsed by Moody’s Investors Service Ltd, each of which is established in the European Union and registered under the CRA Regulation.

### 3. Interests of natural and legal persons involved in the issue

[●]/[Save as discussed in “Subscription and Sale” of the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer.]

### 4. Reasons for the offer, estimated net proceeds and total expenses

- (i) Reasons for the offer and use of proceeds: [●][The Instruments are specified as “Green Bonds” and the net proceeds from the issuance of the Instruments will be used as described in “Use of Proceeds – Green Bonds”]

*(See “Use of Proceeds” wording in the Base Prospectus – if the reasons for the offer are different, include reasons here.)*

- (ii) Estimated net proceeds: [●]

(iii) Estimated total expenses: [●]

**5. Yield**

Indication of yield: [●]

**6. Historical interest rates, FX and other rates**

Details of historical [●]/[USD-ISDA Swap Rate]/[AUD/JPY exchange] rates can be obtained from [Reuters]/[●]

**7. Description of the Underlying**

[The USD-ISDA Swap Rate is [●]]

[The bid and offered rate for AUD/JPY is the spot price from time to time of the Australian Dollar as against the Japanese Yen.]/[●]

**8. Operational information**

ISIN: [●]

Common Code: [●]

CFI: [See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available]

FISN: [See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available]

*(If the CFI and/or FISN is not required, requested or available, it/they should be specified to be "Not Applicable".)*

Common Depository/CMU Lodging Agent: [●]

Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking S.A. and the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority: [Not Applicable]/[●]

CMU Service Instrument Number: [Not Applicable]/[•]

Settlement Procedures: [•]

Delivery: Delivery [against/free of] payment

Names and addresses of additional  
Paying Agent(s) (if any): [•]

**PRO FORMA FINAL TERMS**  
**(at least €100,000)**

*Set out below is the form of Final Terms which will be completed for each Tranche of Instruments under the Programme with a denomination of at least €100,000 (or its equivalent in another currency), amended (if necessary) and completed to reflect the particular terms of the relevant Instruments and their issue.*

**[PROHIBITION OF SALES TO EEA AND UNITED KINGDOM RETAIL INVESTORS** – The Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”) or in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the Instruments or otherwise making them available to retail investors in the EEA or in the United Kingdom has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the EEA or in the United Kingdom may be unlawful under the PRIPs Regulation.]<sup>5</sup>

**[MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Instruments has led to the conclusion that: (i) the target market for the Instruments is eligible counterparties and professional clients only, each as defined in [MiFID II/Directive 2014/65/EU (as amended, “**MiFID II**”)]; and (ii) all channels for distribution of the Instruments to eligible counterparties and professional clients are appropriate. [Consider any negative target market.] Any person subsequently offering, selling or recommending the Instruments (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]<sup>6</sup>

**[NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME:** The Instruments are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in

---

<sup>5</sup> Legend to be included on front of the Final Terms if the Instruments potentially constitute “packaged” products and no key information document will be prepared or the issuer wishes to prohibit offers to EEA and United Kingdom retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

<sup>6</sup> Legend to be included where the Issuer and/or the Dealer(s) are Manufacturers for MiFID II purposes.



MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]<sup>7</sup>

**FINAL TERMS**

Series No.: [●]

Tranche No.: [●]

**WESTPAC SECURITIES NZ LIMITED**

**Programme for the Issuance of Debt Instruments**

**Issue of**

***[Aggregate Principal Amount of Tranche]***

***[Title of Instruments]***

**by Westpac Securities NZ Limited**

**Legal Entity Identifier (LEI): 549300W0N3O6Q4RCKE25**

**Guaranteed by Westpac New Zealand Limited (“WNZL”)**

**Legal Entity Identifier (LEI): 549300MW73M5PK1PNG73**

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the base prospectus dated 17 December 2020 [and the supplement to the base prospectus dated [●]/and any other supplement to the base prospectus prepared by the Issuer from time to time], which [together] constitute[s] a base prospectus (the “**Base Prospectus**”) for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). This document constitutes the Final Terms of the Instruments described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information. The Base Prospectus is available for viewing at Camomile Court, 23 Camomile Street, London EC3A 7LL, United Kingdom, and at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> and copies may be obtained from the Specified Offices of the Paying Agents.]

---

<sup>7</sup> Issuer to determine whether the Instruments remain as prescribed capital markets products at each drawdown. Legend for prescribed capital markets products should be used unless Issuer determines otherwise.

## PART A – Contractual Terms

- |     |  |  |
|-----|--|--|
| 1.  | Issuer:  | Westpac Securities NZ Limited  |
| 2.  | Guaranteed by Westpac New Zealand Limited:   | Yes  |
| 3.  | Date of Board Approval:  |  |
|     | (i) Issuer:  | [•]/[Not applicable, save as discussed in paragraph 2 of the section entitled “General Information” in the Base Prospectus]  |
|     | (ii) WNZL:   | [•]  |
| 4.  | Specified Currency:  | [•]  |
|     | (i) of denomination:   | [•]  |
|     | (ii) of payment:   | [•]/[•] for the payment of any Interest Amount   |
| 5.  | Aggregate Principal Amount of Tranche:   | [•]  |
| 6.  | If interchangeable with existing Series, Series No:  | [•]  |
| 7.  | (i) Issue Date:  | [•]  |
|     | (ii) Interest Commencement Date:   | [•]  |
| 8.  | Issue Price:   | [•]  |
| 9.  | Maturity Date:   | [•], subject to adjustment in accordance with the Business Day Convention specified in paragraph [20(iv), 21(vii) or 22(iv)] |
| 10. | Expenses:  | [•]  |
| 11. | (i) Form of Instruments:   | [Bearer/Registered]  |
|     | (ii) Bearer Instruments exchangeable for Registered Instruments:                           | [Yes/No]   |
| 12. | If issued in Bearer form:  | [•]  |
|     | (i) Initially represented by a Temporary Global Instrument or Permanent Global Instrument: | [Temporary Global Instrument]/[Permanent Global Instrument]  |

- (ii) Temporary Global Instrument exchangeable for a Permanent Global Instrument or for Definitive Instruments and/or (if the relevant Series comprises both Bearer Instruments and Registered Instruments) Registered Instruments: [Yes/No]  
[The Exchange Date shall be [●]]
- (iii) Specify date (if any) from which exchanges for Registered Instruments will be made: [●]/[Exchanges may be made at any time]
- (iv) Permanent Global Instrument exchangeable at the option of the bearer for Definitive Instruments and/or (if the relevant Series comprises both Bearer Instruments and Registered Instruments) Registered Instruments: [No. Permanent Global Instruments are only exchangeable for Definitive Instruments in the limited circumstances set out in Condition 2.5.]
- (v) Talons for future Coupons to be attached to Definitive Instruments: [Yes/No] [As the Instruments have more than 27 Coupons, Talons will be attached]
- (vi) Receipts to be attached to Instalment Instruments which are Definitive Instruments: [Yes/No] [The following receipts will be attached to Instruments: [●]]
13. If issued in Registered form: [Regulation S Global Note (US\$/€[●] nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority]]  
  
[Rule 144A Global Note (US\$[●] nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority]]
14. Denomination(s): [[●] and integral multiples of [●] in excess thereof up to and including [●]. No Definitive Instruments will be issued with a denomination above [●]]
15. Calculation Amount: [●]

16. Partly Paid Instruments: [Yes/No]
- (i) Number of instalments: [•]
- (ii) Amount of each instalment: [•]
- (iii) Date(s) of Payment: [•]
- (iv) Method of Payment: [•]
- (v) First Forfeiture Date: [•]
17. If issued in Registered Form:
- Registrar: [•]
18. Interest: [[•] per cent. Fixed Rate]
- [[•] month]
- [USD LIBOR/GBP LIBOR/CAD  
LIBOR/EURIBOR/CHF LIBOR/JPY  
LIBOR/CNH HIBOR  
/HIBOR/SIBOR/SONIA/SONIA  
Index/SOFR/SOFR Index]
- [[+/-] [•] per cent. Floating Rate]
- [Zero Coupon]
- [Fixed Rate Reset]
- [Fixed to Floating]
19. Change of interest basis [Applicable. The Instruments are Fixed to Floating Rate Instruments. Further details on the applicable Interest Rate are specified in paragraphs 20 and 22 of these Final Terms below.] / [Not Applicable]
20. Fixed Rate Instrument Provisions: [Applicable/Not Applicable/Applicable for the period from and including [•] to but excluding [•]]
- (i) Interest Rate[(s)]: [•] per cent., per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [•] in each year [subject to adjustment in accordance with the Business Day

	Convention specified in paragraph 20(iv)/No Adjustment]
(iii) Interest Period End Date(s):	[●]/Interest Payment Dates
(iv) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention/Eurodollar Convention/No Adjustment]
[- for Interest Payment Dates:	[●]]
[- for Interest Period End Dates:	[●]]
[- for Maturity Date:	[●]]
[- any other date:	[●]]
(v) Fixed Coupon Amount[(s)]:	[●] per Calculation Amount
(vi) Day Count Fraction:	["Actual/Actual (ICMA)"/"Actual/365"/"Actual/Actual (ISDA)"/"Actual/365 (Fixed)"/"Actual/360"/"30/360"/"30E/360"/"Eurobond Basis"/"30E/360 (ISDA)"]
(vii) Broken Amount(s):	[●] per Calculation Amount payable on the Interest Payment Date falling [in/on] [●]
(viii) Accrual Feature:	[Not Applicable]/[Applicable]
- Applicable Swap Rate:	[USD-ISDA-Swap Rate/[●] (as defined in the ISDA Definitions)]
- Applicable Swap Rate thresholds:	Greater than or equal to [●] per cent. and less than or equal to [●] per cent.
- Observation Period:	[The period which starts [●] New York and London Banking Days prior to the beginning of the relevant Interest Accrual Period and ends [●] New York and London Banking Days prior to the end of such Interest Accrual Period]/[Interest Accrual Period]
- Designated Maturity:	[●]
(ix) Additional Business Centre(s):	[Not Applicable/[●]]

(x)	Interest Accrual Periods to which Fixed Rate Instruments Provisions are applicable:	[All] / [The Instruments are Fixed to Floating Rate Instruments, and Fixed Rate Instruments Provisions shall apply for the following Interest Accrual Periods: from and including [●] to but excluding [●]]
21.	Fixed Rate Reset Instrument Provisions:	[Applicable/Not Applicable]
(i)	Initial Rate of Interest:	[●] per cent. per annum payable [annually/semi-annually/quarterly/monthly/other] in arrear
(ii)	Fixed Rate Reset Date(s):	[●]
(iii)	Reset Rate(s):	[[●] per cent. per annum payable [annually/semi-annually/quarterly/monthly/other] in arrear]/[A rate per annum equal to the sum of (a) the Reset Reference Rate and (b) the Mid-Swap Re-Offer Spread]
(iv)	Reset Reference Rate:	[Mid-Market Swap Rate]/[Not Applicable]
	– Relevant Screen Page:	[●]/[Not Applicable]
	– Mid-Swap Maturity:	[●]/[Not Applicable]
(v)	Interest Payment Dates:	[●]
(vi)	Interest Period End Date(s):	[●]
(vii)	Business Day Convention:	[Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention/Eurodollar Convention/No adjustment]
	– [for Interest Payment Dates:	[●]]
	– [for Interest Period End Dates:	[●]]
	– [for Maturity Date:	[●]]
(viii)	Additional Business Centre(s):	[Auckland, New Zealand] [Wellington, New Zealand] [Sydney, Australia] [London, United Kingdom]  [●]

(ix) Fixed Coupon Amount(s):	[●] per [●]
(x) Broken Amount(s):	[●]/[Not Applicable]
(xi) Day Count Fraction:	[Actual/365] [Actual/365 (Fixed)] [30/360] [Actual/Actual (ICMA)] [Actual/360] [30E/360] [30E/360 (ISDA)] [RBA Bond Basis/Australian Bond Basis] [Eurobond Basis] [Not adjusted]
(xii) Accrual Feature:	[Applicable]/[Not Applicable]
– Applicable Swap Rate:	[USD-ISDA-Swap Rate/[●] (as defined in the ISDA Definitions]
– Applicable Swap Rate thresholds:	Greater than or equal to [●] per cent. and less than or equal to [●] per cent.
– Observation Period:	[Interest Accrual Period]/[ [●]New York and London Banking Days prior to the beginning of the relevant Interest Accrual Period and ending [●] New York and London Banking Days prior to the end of the relevant Interest Accrual Period]
– Designated Maturity:	[●]
(xiii) Determination Date:	[●]
(xiv) Mid-Swap Re-Offer Spread:	[●]
(xv) Reset Determination Date(s):	[●]/[Not Applicable]
(xvi) Reset Rate Time:	[●]/[Not Applicable]
22. Floating Rate Instrument Provisions:	[Applicable/Not Applicable/Applicable for the period from and including [●] to but excluding [●]]
(i) Specified Period(s):	[●]

- (ii) Interest Payment Dates: [●], subject to adjustment in accordance with the Business Day Convention specified in paragraph 22(iv)
- (iii) Interest Period End Dates or (if the applicable Business Day Convention below is the FRN Convention) Interest Accrual Period: [●]/Interest Payment Dates
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention/Eurodollar Convention/No Adjustment]
- [for Interest Payment Dates: [●]]
- [for Interest Period End Dates: [●]]
- [for Maturity Date: [●]]
- [any other date: [●]]
- (v) Additional Business Centre(s): [Not Applicable/[●]]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/BBSW Rate Determination]
- (vii) Party responsible for calculating the Interest Rate(s) and Interest Amount(s) (if not the Calculation Agent): [[●] shall be the Calculation Agent
- (viii) Screen Rate Determination: [Applicable/Applicable (Overnight Rate)/Applicable (Term Rate)/Not Applicable]
- Reference Rate: [●] month [●] [except for the Interest Period ending on [●] in which the Interest Rate will be determined using a linear interpolation between [●] month [●] and [●] month [●]]
- Relevant Screen Page: [●]/[Not Applicable]



– Interest Determination Date(s): <sup>8</sup>	[•] [[•] Banking Days/London Banking Days (if SONIA)/U.S. Government Securities Business Days (if SOFR) prior to the end of each Interest Accrual Period] [[•] U.S. Government Securities Business Days following the end of each Interest Accrual Period, provided that in respect of the final Interest Accrual Period, the Interest Determination Date shall be [•] U.S. Government Securities Business Days following the Cut-off Date]
–[SONIA Averaging Method:	[Compounded Daily] [Compounded Index]]
– [SOFR Averaging Method:	[Compounded Daily] [Compounded Index][Weighted Average]]
– [Observation Look-Back Period:	[•] London Banking Days (if SONIA)/U.S. Government Securities Business Days (if SOFR)]
– [Observation Method:	[Lag] [Lock-out] [Payment Delay] [Shift] [Not Applicable]]
– [Cut-off Date:	[•] U.S. Government Securities Business Days prior to the Maturity Date [or Optional Redemption Date [(Call)/(Put)], as applicable]]
– Relevant Time:	[•][Not Applicable]
– Relevant Financial Centre:	[•]
(ix) ISDA Determination:	[Applicable/Not Applicable]
– Floating Rate Option:	[•]
– Designated Maturity:	[•] [except for the Interest Period ending on [•] in which the Interest Rate will be determined using a linear interpolation between Designated Maturity of [•] month [•] and [•] month [•]]
– Reset Date:	[•]

---

<sup>8</sup> Unless otherwise agreed with the Calculation Agent, the Interest Determination Date for Instruments cleared through Euroclear/Clearstream must be at least five London Banking Days prior to the Interest Payment Date.

(x)	Margin(s):	[+/-][●] per cent. per annum
(xi)	Minimum Interest Rate:	[●] per cent. per annum
(xii)	Maximum Interest Rate:	[●] per cent. per annum
(xiii)	Day Count Fraction:	["Actual/Actual ICMA"/"Actual/365"/"Actual/Actual (ISDA)"/"Actual/365 (Fixed)"/"Actual/360"/"30/360"/ "30E/360"/"Eurobond Basis"/ "30E/360 (ISDA)"]
(xiv)	Interest Accrual Periods to which Floating Rate Subordinated Instrument Provisions are applicable:	[All] / [The Instruments are Fixed to Floating Rate Instruments, and Floating Rate Instruments Provisions shall apply for the following Interest Accrual Periods: from and including [●] to but excluding [●]]
(xv)	Accrual Feature:	[Not Applicable/[Applicable]]
	– Applicable Swap Rate:	[USD-ISDA-Swap Rate/[●]]
	– Applicable Swap Rate thresholds:	Greater than or equal to [●] per cent. and less than or equal to [●] per cent.
	– Observation Period:	[the period which starts [●] New York and London Banking Days prior to the beginning of the relevant Interest Accrual Period and ends [●] New York and London Banking Days prior to the end of such Interest Accrual Period]/[Interest Accrual Period]
	– Designated Maturity:	[●]
(xvi)	Broken Amounts:	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
23.	Zero Coupon Instrument Provisions:	[Applicable/Not Applicable]
(i)	Accrual Yield:	[●] per cent. per annum
(ii)	Reference Price:	[●]
(iii)	Day Count Fraction:	["Actual/Actual ICMA"/"Actual/365"/"Actual/Actual (ISDA)"/"Actual/365 (Fixed)"/"Actual/360"/"30/360"/

		“30E/360”/“Eurobond Basis”/ “30E/360 (ISDA)”]
	(iv) Additional Business Centre(s):	[Not Applicable/[•]]
24.	Benchmark Replacement:	[Benchmark Replacement (General) / Benchmark Replacement (ARRC) / Not Applicable]
25.	Default Interest Rate:	[•]/[Interest Rate]
26.	Dates for payment of Instalment Amounts (Instalment Instruments):	[•]
27.	Final Redemption Amount of each Instrument:	As determined in accordance with Condition [•] / [•] per Calculation Amount
28.	Instalment Amounts:	[•]
29.	Early Redemption for Tax Reasons:	[Applicable/Not Applicable]
	(i) Early Redemption Amount of each Instrument (Tax):	[•] per Calculation Amount
	(ii) Date after which changes in law, etc. entitle Issuer to redeem:	[[•]/Issue Date]
30.	Coupon Switch Option:	[Applicable/Not Applicable]
31.	Coupon Switch Option Date:	[•]
32.	Redemption at the Option of the Issuer (Call):	[Applicable/Not Applicable]
	(i) Optional Redemption Date (Call):	[•]
	(ii) Series redeemable in part:	[Yes/No]
	(iii) Optional Redemption Amount (Call) of each Instrument:	[•] per Calculation Amount
	(iv) Notice period:	[•]
33.	Partial redemption (Call):	[Applicable/Not Applicable]
	(i) Minimum Redemption Amount:	[•] per Calculation Amount
	(ii) Maximum Redemption Amount:	[•] per Calculation Amount
	(iii) Notice period:	[•]

34. Redemption at the option of the Holders (Put): [Applicable/Not Applicable]
- (i) Optional Redemption Date (Put): [•]
- (ii) Optional Redemption Amount (Put) of each Instrument: [•] per Calculation Amount
- (iii) Notice period: [•]
35. Events of Default:
- Early Termination Amount: [•]
36. Payments:
- Unmatured Coupons missing upon Early Redemption: [Condition [7A.6(i)] applies]/[Condition [7A.6(ii)] applies]
37. Replacement of Instruments: [•]
38. Calculation Agent: [•]/[Not Applicable]
39. Notices: Condition 14 applies
40. Selling Restrictions:
- United States of America: [Regulation S Category 2 restrictions apply to the Instruments]
- [[TEFRA C/TEFRA D] Rules apply to the Instruments/[TEFRA Not Applicable]]
- Instruments [are/are not] Rule 144A eligible
- [Exchange Date is [•]]
- Prohibition of Sales to EEA and United Kingdom Retail Investors: [Applicable/Not Applicable]
- (If the Instruments clearly do not constitute “packaged” products, or the Instruments do constitute “packaged” products and a key information document will be prepared, “Not Applicable” should be specified. If the Instruments may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)*

**[THIRD PARTY INFORMATION]**

[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

**WESTPAC SECURITIES NZ LIMITED**

(as Issuer)

By: \_\_\_\_\_

Authorised officer:

Name:

Date:

By: \_\_\_\_\_

Authorised officer:

Name:

Date:

**WESTPAC NEW ZEALAND LIMITED**

(as WNZL)

By: \_\_\_\_\_

Authorised officer:

Name:

Date:

## PART B – Other information

### 1. Listing

- (i) Listing: [Yes, to be admitted to the Official List of the UK Financial Conduct Authority]
- (ii) Admission to trading: [Application has been made for the Instruments to be admitted to trading on the London Stock Exchange's regulated market with effect from [●]]

### 2. Ratings

Ratings of the Instruments: [S&P Global Ratings Australia Pty Limited: [●]] / [N/A]

[Moody's Investors Service Pty Limited: [●]] / [N/A]

Neither S&P Global Ratings Australia Pty Limited nor Moody's Investors Service Pty Limited is established in the European Union or has applied for registration under Regulation (EU) No. 1060/2009, as amended (the "**CRA Regulation**"). However, S&P Global Ratings Australia Pty Limited is endorsed by S&P Global Ratings Europe Limited and Moody's Investors Service Pty Limited is endorsed by Moody's Investors Service Ltd, each of which is established in the European Union and registered under the CRA Regulation.

### 3. Interests of natural and legal persons involved in the issue

[●]/[Save as discussed in "Subscription and Sale" of the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer.]

### 4. Reasons for the offer, estimated net proceeds and total expenses

- (i) Reasons for the offer and use of proceeds: [●] [The Instruments are specified as "Green Bonds" and the net proceeds from the issuance of the Instruments will be used as described in "Use of Proceeds – Green Bonds"]

*(See "Use of Proceeds" wording in the Base Prospectus – if the reasons for the offer are different, include reasons here.)*

(ii) Estimated net proceeds: [●]

(iii) Estimated total expenses: [●]

**5. Yield**

Indication of yield: [●]

**6. Operational information**

ISIN: [●]

Common Code: [●]

CFI: [See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available]

FISN: [See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available]

*(If the CFI and/or FISN is not required, requested or available, it/they should be specified to be "Not Applicable".)*

Common Depository/CMU Lodging Agent: [●]

Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking S.A. and the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority: [Not Applicable]/[●]

CMU Service Instrument Number: [Not Applicable]/[●]

Names and addresses of additional Paying Agent(s) (if any): [●]

**7. Description of the Underlying**

[The USD-ISDA Swap Rate is [●]]

[The bid and offered rate for AUD/JPY is the spot price from time to time of the Australian Dollar as against the Japanese Yen.]/[●]



## PRO FORMA PRICING SUPPLEMENT FOR PR EXEMPT INSTRUMENTS

Set out below is the form of Pricing Supplement which will be completed for each Tranche of PR Exempt Instruments under the Programme (herein referred to as “**Instruments**”), amended (if necessary) and completed to reflect the particular terms of the relevant Instruments and their issue. References to Text in this section appearing in italics does not form part of the form of the Pricing Supplement but is included as directions for completing the Pricing Supplement.

**THIS FORM OF PRICING SUPPLEMENT WILL BE ISSUED IN RESPECT OF INSTRUMENTS WHICH ARE NOT ADMITTED TO THE OFFICIAL LIST OF THE UK FINANCIAL CONDUCT AUTHORITY OR TO ANY OTHER EUROPEAN ECONOMIC AREA OR UNITED KINGDOM REGULATED MARKET OR OFFERED TO THE PUBLIC IN THE EUROPEAN ECONOMIC AREA OR IN THE UNITED KINGDOM FOR THE PURPOSES OF THE PROSPECTUS REGULATION. THE FORM OF PRICING SUPPLEMENT HAS NOT BEEN REVIEWED OR APPROVED BY THE UK FINANCIAL CONDUCT AUTHORITY AND DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSES OF THE PROSPECTUS REGULATION.**

**[PROHIBITION OF SALES TO EEA AND UNITED KINGDOM RETAIL INVESTORS** – The Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”) or in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the Instruments or otherwise making them available to retail investors in the EEA or in the United Kingdom has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the EEA or in the United Kingdom may be unlawful under the PRIPs Regulation.]<sup>9</sup>

**[MIFID II PRODUCT GOVERNANCE / TARGET MARKET** – *[appropriate target market legend to be included]*

**[NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME:** The Instruments are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]<sup>10</sup>

---

<sup>9</sup> Legend to be included on front of the Pricing Supplement if the Instruments potentially constitute “packaged” products and no key information document will be prepared or if the issuer wishes to prohibit offers to EEA and United Kingdom retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

<sup>10</sup> Issuer to determine whether the Instruments remain as prescribed capital markets products at each drawdown. Legend for prescribed capital markets products should be used unless Issuer determines otherwise.

## PRICING SUPPLEMENT

Series No.: [●]

Tranche No.: [●]

### WESTPAC SECURITIES NZ LIMITED

#### Programme for the Issuance of Debt Instruments

#### Issue of

*[Aggregate Principal Amount of Tranche] [Title of PR Exempt Instruments]*

by Westpac Securities NZ Limited

**Legal Entity Identifier (LEI): 549300W0N3O6Q4RCKE25**

**Guaranteed by Westpac New Zealand Limited (“WNZL”)**

**Legal Entity Identifier (LEI): 549300MW73M5PK1PNG73**

No prospectus is required in accordance with Regulation (EU) 2017/129 (the “**Prospectus Regulation**”), for this issue of Instruments. The UK Financial Conduct Authority has neither approved or reviewed information contained in this Pricing Supplement.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the Base Prospectus dated 17 December 2020 [and the supplement to the Base Prospectus dated [●]], which [together] constitute[s] a base prospectus. This document must be read in conjunction with such Base Prospectus dated 17 December 2020 [as so supplemented].

The Base Prospectus dated 17 December 2020 is available for viewing at WSNZL’s office at Camomile Court, 23 Camomile Street, London EC3A 7LL, United Kingdom, and at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> and copies may be obtained from the Specified Offices of the Paying Agents.

### PART A – Contractual Terms

- |    |   |                               |
|----|---|-------------------------------|
| 1. | Issuer:   | Westpac Securities NZ Limited |
| 2. | Guaranteed by WNZL:   | Yes                           |
| 3. | Syndicated:   | [Applicable/Not Applicable]   |
|    | (i) If syndicated, names and addresses of Dealers [and underwriting commitments]; | [Not Applicable/[●]]          |

- (ii) Date of Subscription Agreement [●]
4. If not syndicated, Relevant Dealer/Lead Manager: [(Name (and address))]/[Not Applicable]
5. Date of Board Approval of:
- (i) Issuer: [●]/[Not applicable, save as discussed in paragraph 2 of the section entitled “General Information” in the Base Prospectus]
- (ii) WNZL: [●]
6. Specified Currency:
- (i) of denomination: [●]
- (ii) of payment [●]/[●] for the payment of any Interest Amount, and [●] for the payment of any other amount in respect of the Instruments, including the Redemption Amount
7. Aggregate Principal Amount of Tranche: [●]
8. If interchangeable with existing Series, Series No: [●]
9. (i) Issue Date: [●]
- (ii) Interest Commencement Date: [●]
10. Issue Price: [●]
11. Maturity Date: [●], subject to adjustment in accordance with the Business Day Convention specified in paragraph [22(iv), 23(vii), 24(iv)]
12. Expenses: [●]
13. (i) Form of Instruments: [Bearer/Registered]
- (ii) Bearer Instruments exchangeable for Registered Instruments: [Yes/No]
14. If issued in Bearer form: [Temporary Global Instrument]/[Permanent Global Instrument]
- (i) Initially represented by a Temporary Global Instrument or Permanent Global Instrument:

- (ii) Temporary Global Instrument exchangeable for a Permanent Global Instrument or for Definitive Instruments and/or [(if the relevant Series comprises both Bearer Instruments and Registered Instruments)] Registered Instruments: [Yes/No] [The Exchange Date shall be [●]]
- (iii) Specify date (if any) from which exchanges for Registered Instruments will be made: [●]/[Exchanges may be made at any time.]
- (iv) Permanent Global Instrument exchangeable at the option of the bearer for Definitive Instruments and/or (if the relevant Series comprises both Bearer Instruments and Registered Instruments) Registered Instruments: [No. Permanent Global Instruments are only exchangeable for Definitive Instruments in the limited circumstances set out in Condition 2.5.]
- (v) Talons for future Coupons to be attached to Definitive Instruments: [Yes/No.] [As the Instruments have more than 27 Coupons, Talons will be attached]
- (vi) Receipts to be attached to Instalment Instruments which are Definitive Instruments: [Yes/No] [The following Receipts will be attached to the Instruments [●]]
15. If issued in Registered form: [Regulation S Global Note (US\$/€[●] nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority]]  
[Rule 144A Global Note (US\$[●] nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream, Luxembourg/the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority]]
16. Denomination(s): [[●] and integral multiples of [●] in excess thereof up to and including [●]. No Definitive Instruments will be issued with a denomination above [●]]
17. Calculation Amount: [●]

18. Partly Paid Instruments: [Yes/No]
- (i) Number of instalments: [●]
- (ii) Amount of each instalment: [●]
- (iii) Date(s) of payment: [●]
- (iv) Method of payment: [●]
- (v) First Forfeiture Date: [●]
19. If issued in Registered Form: [●]
- Registrar:
20. Interest: [[●] per cent. Fixed Rate]
- [●] month
- [[USD LIBOR/GBP LIBOR/CAD  
LIBOR/EURIBOR/CHF LIBOR/JPY  
LIBOR/CNH  
HIBOR/HIBOR/SIBOR/SONIA/SOFR]  
[+/-[●]] per cent. Floating Rate]
- [Zero Coupon]
- [Fixed Rate Reset]
- [Fixed to Floating]
21. Change of interest basis [Applicable. The Instruments are Fixed to Floating Rate Instruments. Further details on the applicable Interest Rate are specified in paragraphs 22 and 24 of this Pricing Supplement below.] / [Not Applicable]
22. Fixed Rate Instrument Provisions: [Applicable/Not Applicable/Applicable for the period from and including [●] to but excluding [●]]
- (i) Interest Rate[(s)]: [●] per cent. per annum [payable [annually/semi- annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [●] in each year [subject to adjustment in accordance with the Business Day Convention specified in paragraph 22(iv)/[No Adjustment]

(iii)	Interest Period End Date(s):	[●]/Interest Payment Dates
(iv)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention/Eurodollar Convention/No Adjustment]
	[- for Interest Payment Dates:	[●]]
	[- for Interest Period End Dates:	[●]]
	[- for Maturity Date:	[●]]
	[- any other date:	[●]]
(v)	Fixed Coupon Amount[(s)]:	[●] per Calculation Amount
(vi)	Day Count Fraction:	["Actual/Actual (ICMA)"/"Actual/365"/"Actual/Actual (ISDA)"/"Actual/365 (Fixed)"/"Actual/360"/"30/360"/"30E/360"/"Eurobond Basis"/ "30E/360 (ISDA)"]
(vii)	Broken Amount(s):	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
(viii)	Accrual Feature:	[Not Applicable]/[Applicable]
	– Applicable Swap Rate:	[USD-ISDA-Swap Rate/[●] (as defined in the ISDA Definitions)]
	– Applicable Rate thresholds:	Greater than or equal to [●] per cent. and less than or equal to [●] per cent.
	– Observation Period:	[The period which starts [●] New York and London Banking Days prior to the beginning of the relevant Interest Accrual Period and ends [●] New York and London Banking Days prior to the end of such Interest Accrual Period]/[Interest Accrual Period]
	– Designated Maturity:	[●]
(ix)	Additional Business Centre(s):	[Not Applicable]/[●]
(x)	Interest Accrual Periods to which Fixed Rate Instruments Provisions are applicable:	[All] / [The Instruments are Fixed to Floating Rate Instruments, and Fixed Rate Instruments Provisions shall apply for the following Interest

Accrual Periods: from and including [●] to but excluding [●]

23. **Fixed Rate Reset Instrument Provisions:**

[Applicable]/[Not Applicable]

- (i) Initial Rate of Interest: [●] per cent. per annum payable [annually/semi-annually/quarterly/monthly/other] in arrear
- (ii) Fixed Rate Reset Date(s): [●]
- (iii) Reset Rate(s): [[●] per cent. per annum payable [annually/semi-annually/quarterly/monthly/other] in arrear]/[A rate per annum equal to the sum of (a) the Reset Reference Rate and (b) the Mid-Swap Re-Offer Spread]
- (iv) Reset Reference Rate: [Mid-Market Swap Rate]/[Not Applicable]
  - Relevant Screen Page: [●]/[Not Applicable]
  - Mid-Swap Maturity: [●]/[Not Applicable]
- (v) Interest Payment Dates: [●]
- (vi) Interest Period End Date(s): [●]
- (vii) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention/Eurodollar Convention/No adjustment]
  - [for Interest Payment Dates: [●]]
  - [for Interest Period End Dates: [●]]
  - [for Maturity Date: [●]]
- (viii) Additional Business Centre(s): [Auckland, New Zealand]  
[Wellington, New Zealand]  
[Sydney, Australia]  
[London, United Kingdom]  
  
[●]
- (ix) Fixed Coupon Amount(s): [●] per [●]

- (x) Broken Amount(s): [●]/[Not Applicable]
- (xi) Day Count Fraction: [Actual/365]  
[Actual/365 (Fixed)]  
[30/360]  
[Actual/Actual (ICMA)]  
[Actual/360]  
[30E/360]  
[30E/360 (ISDA)]  
[RBA Bond Basis/Australian Bond Basis]  
[Eurobond Basis]  
[Not adjusted]
- (xii) Accrual Feature: [Applicable]/[Not Applicable]
- Applicable Swap Rate: [USD-ISDA-Swap Rate/[●] (as defined in the ISDA Definitions)]
- Applicable Swap Rate thresholds: Greater than or equal to [●] per cent. and less than or equal to [●] per cent.
- Observation Period: [Interest Accrual Period]/[ [●]New York and London Banking Days prior to the beginning of the relevant Interest Accrual Period and ending [●] New York and London Banking Days prior to the end of the relevant Interest Accrual Period]
- Designated Maturity: [●]
- (xiii) Determination Date: [●]
- (xiv) Mid-Swap Re-Offer Spread: [●]
- (xv) Reset Determination Date(s): [●]/[Not Applicable]
- (xvi) Reset Rate Time: [●]/[Not Applicable]
24. Floating Rate Instrument Provisions: [Applicable/Not Applicable/Applicable for the period from and including [●] to but excluding [●]]
- (i) Specified Period(s): [●]
- (ii) Interest Payment Dates: [●], subject to adjustment in accordance with the Business Day Convention specified in paragraph [24(iv)]
- (iii) Interest Period End Dates or (if the applicable Business Day [●]/Interest Payment Dates



Convention below is the FRN  
Convention) Interest Accrual  
Period:

- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention/Eurodollar Convention/No Adjustment]
- [- for Interest Payment Dates: [●]]
- [- for Interest Period End Dates: [●]]
- [- for Maturity Date: [●]]
- [- any other date: [●]]
- (v) Additional Business Centre(s): [Not Applicable]/[●]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/BBSW Rate Determination]
- (vii) Party responsible for calculating the Interest Rate(s) and Interest Amount(s) (if not the Calculation Agent): [[●] shall be the Calculation Agent]
- (viii) Screen Rate Determination: [Applicable/Applicable (Overnight Rate)/Applicable (Term Rate)/Not Applicable]
- Reference Rate: month [●] [except for the Interest Period ending on [●] in which the Interest Rate will be determined using a linear interpolation between [●] month [●] and [●] month [●]]
- Relevant Screen Page: [●] [Not Applicable]

– Interest Determination Date(s): <sup>11</sup>	[●] [[●] Banking Days/London Banking Days (if SONIA)/U.S. Government Securities Business Days (if SOFR) prior to the end of each Interest Accrual Period] [[●] U.S. Government Securities Business Days following the end of each Interest Accrual Period, provided that in respect of the final Interest Accrual Period, the Interest Determination Date shall be [●] U.S. Government Securities Business Days following the Cut-off Date]
– [SONIA Averaging Method:	[Compounded Daily] [Compounded Index]
– [SOFR Averaging Method:	[Compounded Daily] [Compounded Index] [Weighted Average]]
– [Observation Look-Back Period:	[●] London Banking Days ( <i>if SONIA</i> )/U.S. Government Securities Business Days ( <i>if SOFR</i> )
– [Observation Method:	[Lag] [Lock-out] [Payment Delay] [Shift] [Not Applicable]]
– [Cut-off Date:	[●] U.S. Government Securities Business Days prior to the Maturity Date [or Optional Redemption Date [(Call)/(Put)], as applicable]]
– Relevant Time:	[●][Not Applicable]
– Relevant Financial Centre:	[●]
(ix) ISDA Determination:	[Applicable/Not Applicable]
– Floating Rate Option:	[●]
– Designated Maturity:	[●] [except for the Interest Period ending on [●] in which the Interest Rate will be determined using a linear interpolation between a Designated Maturity of [●] months and [●] months]
– Reset Date:	[●]
(x) Margin(s):	[+/-][●] per cent. per annum

---

<sup>11</sup> Unless otherwise agreed with the Calculation Agent, the Interest Determination Date for Instruments cleared through Euroclear/Clearstream must be at least five London Banking Days prior to the Interest Payment Date.

(xi)	Minimum Interest Rate:	[●] per cent. per annum
(xii)	Maximum Interest Rate:	[●] per cent. per annum
(xiii)	Day Count Fraction:	["Actual/Actual (ICMA)"/"Actual/365"/"Actual/Actual (ISDA)"/"Actual/365 (Fixed)"/"Actual/360"/"30/360"/"30E/360"/ "Eurobond Basis"/ "30E/360 (ISDA)"]
(xiv)	Interest Accrual Periods to which Floating Rate Subordinated Instrument Provisions are applicable:	[All] / [The Instruments are Fixed to Floating Rate Instruments, and Floating Rate Instruments Provisions shall apply for the following Interest Accrual Periods: from and including [●] to but excluding [●]]
(xv)	Accrual Feature:	[Not Applicable]/[Applicable]
	– Applicable Swap Rate:	[USD-ISDA-Swap Rate/[●]]
	– Applicable Swap Rate thresholds:	Greater than or equal to [●] per cent. and less than or equal to [●] per cent.
	– Observation Period:	[the period which starts [●] New York and London Banking Days prior to the beginning of the relevant Interest Accrual Period and ends [●] New York and London Banking Days prior to the end of such Interest Accrual Period]/[Interest Accrual Period]
	– Designated Maturity:	[●]
(xvi)	Broken Amounts:	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
25.	Zero Coupon Instrument Provisions:	[Applicable/Not Applicable]
(i)	Accrual Yield:	[●] per cent. per annum
(ii)	Reference Price:	[●]
(iii)	Day Count Fraction:	["Actual/Actual ICMA)"/"Actual/365"/"Actual/Actual (ISDA)"/"Actual/365 (Fixed)"/"Actual/360"/ "30/ 360"/"30E/360"/ "Eurobond Basis"/ "30E/360 (ISDA)"]
(iv)	Additional Business Centre(s)	[Not Applicable]/[●]

26.	Benchmark Replacement:	[Benchmark Replacement (General) / Benchmark Replacement (ARRC) / Not Applicable]
27.	Default Interest Rate:	[Interest Rate]/[●]
28.	Dates for payment of Instalment Amounts (Instalment Instruments):	[●]
29.	Final Redemption Amount of each Instrument:	As determined in accordance with Condition [●] / [●] per Calculation Amount
30.	Instalment Amounts:	[●]
31.	Early Redemption for Tax Reasons:	[Applicable/Not Applicable]
	(i) Early Redemption Amount of each Instrument (Tax):	[●] per Calculation Amount
	(ii) Date after which changes in law, etc. entitle Issuer to redeem:	[●]/[Issue Date]
32.	Coupon Switch Option:	[Applicable/Not Applicable]
33.	Coupon Switch Option Date:	[●]
34.	Redemption at the option of the Issuer (Call):	[Applicable/Not Applicable]
	(i) Optional Redemption Date (Call):	[●]
	(ii) Series redeemable in part:	[Yes/No]
	(iii) Optional Redemption Amount (Call) of each Instrument:	[●] per Calculation Amount
	(iv) Notice period:	[●]
35.	Partial redemption (Call):	[Applicable/Not Applicable]
	(i) Minimum Redemption Amount:	[●] per Calculation Amount
	(ii) Maximum Redemption Amount	[●] per Calculation Amount
	(iii) Notice period:	[●]
36.	Redemption at the option of the Holders (Put):	[Applicable/Not Applicable]

- (i) Optional Redemption Date (Put): [●]
- (ii) Optional Redemption Amount (Put) of each Instrument: [●] per Calculation Amount
- (iii) Notice period: [●]
37. Events of Default:
- Early Termination Amount: [●]
38. Payments:
- Unmatured Coupons missing upon Early Redemption: [Condition [7A.6(i)] applies]/[Condition [7A.6(ii)] applies]
39. Replacement of Instruments: [●]
40. Calculation Agent: [●]/[Not Applicable]
41. Notices: Condition 14 applies
42. Selling Restrictions:
- United States of America: [Regulation S Category 2 restrictions apply to the Instruments]
- [[TEFRA C/TEFRA D] Rules apply to the Instruments]/[TEFRA Not Applicable]
- Instruments [are/are not] Rule 144A eligible
- [Exchange Date is [●]]
- Prohibition of Sales to EEA and United Kingdom Retail Investors: [Applicable/Not Applicable]
- (If the Instruments clearly do not constitute “packaged” products, or the Instruments do constitute “packaged” products and a key information document will be prepared, “Not Applicable” should be specified. If the Instruments may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)*
41. [Additional Conditions:] [Specify any additional conditions]

**[THIRD PARTY INFORMATION**

[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

**WESTPAC SECURITIES NZ LIMITED**

(as Issuer)

By: \_\_\_\_\_

Authorised officer:

Name:

Date:

By: \_\_\_\_\_

Authorised officer:

Name:

Date:

**WESTPAC NEW ZEALAND LIMITED**

(as WNZL)

By: \_\_\_\_\_

Authorised officer:

Name:

Date:

## PART B – Other information

### 1. Listing

- (i) Listing: [[●]/None]
- (ii) Admission to trading: [Application has been made for the Instruments to be admitted to trading on [●] with effect from [●]]
- [Not applicable]

### 2. Ratings

Ratings of the Instruments: [S&P Global Ratings Australia Pty Limited: [●]] / [N/A]

[Moody's Investors Service Pty Limited: [●]] / [N/A]

Neither S&P Global Ratings Australia Pty Limited nor Moody's Investors Service Pty Limited is established in the European Union or has applied for registration under Regulation (EU) No. 1060/2009, as amended (the "CRA Regulation"). However, S&P Global Ratings Australia Pty Limited is endorsed by S&P Global Ratings Europe Limited and Moody's Investors Service Pty Limited is endorsed by Moody's Investors Service Ltd, each of which is established in the European Union and registered under the CRA Regulation.

### 3. Interests of natural and legal persons involved in the issue

[●]/[Save as discussed in "Subscription and Sale" of the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer.]

### 4. Reasons for the offer, estimated net proceeds and total expenses

- (i) Reasons for the offer and use of proceeds: [●] [The Instruments are specified as "Green Bonds" and the net proceeds from the issuance of the Instruments will be used as described in "Use of Proceeds – Green Bonds"]

*(See "Use of Proceeds" wording in the Base Prospectus – if the reasons for the offer are different, include reasons here.)*

- (ii) Estimated net proceeds: [●]

(iii) Estimated total expenses:	[•]
<b>5. Yield</b>	
Indication of yield:	[•]
<b>6. Operational information</b>	
ISIN:	[•]
Common Code:	[•]
CFI:	[See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available]
FISN:	[See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available]
	<i>(If the CFI and/or FISN is not required, requested or available, it/they should be specified to be “Not Applicable”.)</i>
Common Depository/CMU Lodging Agent:	[•]
Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking S.A. and the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority:	[Not Applicable]/[•]
CMU Service Instrument Number:	[Not Applicable]/[•]
Settlement Procedures:	[•]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agent(s) (if any):	[•]



**7. Description of the Underlying**

[The USD-ISDA Swap Rate is [●]]

[The bid and offered rate for AUD/JPY is the spot price from time to time of the Australian Dollar as against the Japanese Yen.]/[●]

## USE OF PROCEEDS

### *Instruments generally*

The net proceeds of the issue of each Tranche of Instruments will be used by the Issuer to on-lend to WNZL. WNZL will use the proceeds of the issue of each Tranche of Instruments for general funding purposes or such other purposes as may be specified in the relevant Final Terms or Pricing Supplement (as applicable).

### *Green Bonds*

The Final Terms or Pricing Supplement (as applicable) may state that WNZL expects to use the proceeds of the issuance of that Tranche of Instruments to finance or refinance, in whole or in part, Eligible Assets (as defined below) that fall into investment areas set forth in the ICMA Green Bond Principles (as defined below) including, but not limited to green buildings, renewable energy, pollution prevention and control, clean transportation, water and waste water management and climate change adaptation. Such Instruments may also be referred to as “**Green Bonds**” (as specified in the relevant Final Terms or Pricing Supplement).

### *Eligible Assets*

“**Eligible Assets**” are existing or future assets or projects, or indebtedness incurred to finance such assets or projects, that are determined by WNZL (in its absolute discretion) to support climate change solutions having regard to the eligibility criteria and selection process set out in the WNZL Green Bond Framework published at <https://www.westpac.com.au/about-westpac/investorcentre/fixed-income/investors/> (including as amended, supplemented, restated or otherwise updated on such website from time to time, the “**WNZL Green Bond Framework**”). The eligibility criteria for Eligible Assets as set out in the WNZL Green Bond Framework are intended to align with the Green Bond Principles 2018, as administered by the International Capital Markets Association (the “**ICMA Green Bond Principles**”).

The ICMA Green Bond Principles are a set of voluntary guidelines published by the International Capital Markets Association for the issuance of green bonds. The ICMA Green Bond Principles are coordinated by a committee of issuers, investors and intermediaries in the green bond market and are intended to promote integrity in the green bond market through guidelines that recommend transparency, disclosure and reporting. The ICMA Green Bond Principles have four components: (i) use of proceeds for qualifying projects with environmentally sustainable benefits, (ii) disclosure and use of a process for project evaluation and selection, (iii) management of proceeds through a formal process to ensure they are allocated to qualifying projects and (iv) reporting on the allocation of such proceeds, including on the projects for which funds have been used and their expected environmental impact.

### *Project Evaluation and Selection*

The Eligible Assets are identified and selected via the process outlined in the WNZL Green Bond Framework.

### *Management of Proceeds*

WNZL intends to use an amount equal to the net proceeds of any issuance of Green Bonds to finance or refinance, in whole or in part, one or more Eligible Assets. For so long as the relevant Green Bonds are outstanding, WNZL's internal records will show an amount equal to the net proceeds from the offering of the Green Bonds as allocated to the assets that the Issuer classifies as Eligible Assets.

Pending allocation of an amount equal to the net proceeds from the offer and sale of any Green Bonds to finance or refinance, in whole or in part, one or more Eligible Assets, or in the event that the value of all available Eligible Assets falls below the amount of the net proceeds from the offer and sale of all Green Bonds, WNZL intends to invest an amount equal to the balance of such net proceeds in overnight or otherwise short-term financial instruments.

Payment of principal and interest on any Green Bonds will be made from the Issuer's general funds and will not be directly linked to the performance of any Eligible Assets.

### *Reporting*

The WNZL Green Bond Framework has been subject to independent external review and assurance by DNV GL Business Assurance Pty Ltd to confirm its alignment with the ICMA Green Bond Principles. WNZL intends to have independent external review and assurance conducted on each proposed Green Bond issuance. WNZL also intends to seek periodic ongoing review and assurance of its Green Bonds conducted on an annual basis throughout the term of the relevant Green Bonds, including as to alignment of the Green Bonds with the ICMA Green Bond Principles and the allocation of Green Bond proceeds.

To the extent that any reports of the external assurance provider or periodic reports are published on WNZL's website, they (together with any other information included on the Issuer's or WNZL's website) are not, and should not be deemed to be part of this Base Prospectus. In addition, the WNZL Green Bond Framework and ICMA Green Bond Principles are not, and should not be deemed to be, a part of this Base Prospectus.

Details of actual Eligible Assets with which Green Bonds may be associated at any given time may be subject to obligations of confidentiality that would preclude the Issuer and WNZL from disclosing those details to holders of the relevant Green Bonds. Investors should further note that WNZL may, at any time and from time to time, change the composition of its Eligible Assets. Additional Eligible Assets may be added to, or used to substitute or replenish, the portfolio of Eligible Assets.

## WESTPAC NEW ZEALAND LIMITED

### *Overview*

WBC has a long-standing commitment to New Zealand, dating from 1861 when it commenced operating as the Bank of New South Wales. Since 1 November 2006, as a result of a change of policy by the RBNZ requiring all systemically important banks to be incorporated as local entities in New Zealand, the WBC Group has conducted its New Zealand banking business through both the NZ Branch and a separate New Zealand banking subsidiary, WNZL.

WNZL was incorporated on 14 February 2006 as a limited liability company under the New Zealand Companies Act 1993 (the “**NZ Companies Act**”) (company number 1763882). The head office of WNZL is situated at Westpac on Takutai Square, 16 Takutai Square, Auckland 1010, New Zealand and the address for service of process on WNZL is Westpac on Takutai Square, 53 Galway Street, Auckland 1010, New Zealand.

WNZL is one of New Zealand’s largest banking organisations and provides a wide range of consumer, business and institutional banking, wealth and insurance products and services to consumers, businesses, government and institutional customers in New Zealand.

Until 1 November 2006, WBC operated through a branch in New Zealand. Effective 1 November 2006, WBC has operated in New Zealand through both the NZ Branch (carrying on financial markets operations, international trade and international payments, and, until 1 November 2011, institutional banking activities) and WNZL (a locally incorporated subsidiary of WBC carrying on the WBC Group’s New Zealand consumer and business banking operations). On 1 November 2011, the NZ Branch transferred additional business activities and associated employees to WNZL pursuant to the Westpac New Zealand Act 2011. The following business activities were transferred to WNZL:

- institutional customer deposits;
- institutional banking, relationship banking and agency banking;
- institutional customer lending (other than trade finance activities);
- debt capital markets activities carried out in assisting corporate customers to obtain funding, such as loan syndication and securitisation arrangements, but excluding the debt securities team activities, such as arrangement of commercial paper and bond programmes;
- corporate advisory; and
- customer foreign currency accounts, overdrafts and term deposits.

The transfer to WNZL consisted of NZ\$6,446 million of assets consisting primarily of loans to corporate customers of NZ\$6,336 million and NZ\$5,303 million of liabilities consisting primarily of deposits of NZ\$5,060 million.

As at 30 September 2020, WNZL and its controlled entities had consolidated total assets of NZ\$103,192 million.

## **Competition and Trends**

WNZL operates in the New Zealand financial services sector providing services to consumers, businesses, government and institutional customers.

The New Zealand market is dominated by the locally incorporated subsidiaries of the four major Australian banks: WNZL, ANZ Bank New Zealand Limited (a subsidiary of Australia and New Zealand Banking Group Limited), ASB Bank Limited (a subsidiary of the Commonwealth Bank of Australia) and Bank of New Zealand (a subsidiary of National Australia Bank). All these major banks offer comprehensive financial services products to consumers and business customers throughout the country. In addition, there is competition from a number of smaller market participants that focus on niche opportunities within the retail and business sectors. Kiwibank Limited, ultimately owned by the New Zealand Government, is also a significant competitor principally operating in the consumer segment across both lending and deposits.

New Zealand economic activity contracted 12.2 per cent. in the June 2020 quarter due to the COVID-19 lockdown. Parts of the economy related to travel, tourism and foreign education remain severely disrupted due to restrictions on international travel. However, other parts of the economy have rebounded very rapidly. Some measures of domestic economic activity, such as retail spending, are now running above their pre-COVID levels.

Unemployment rose sharply in the early stage of the pandemic, from 4 per cent. to 5.3 per cent. WNZL expects that unemployment will peak at 6.2 per cent. early next year, before falling slowly over the coming years.

The RBNZ responded to the pandemic with a sharp drop in the Official Cash Rate (“OCR”), a quantitative easing programme, and a funding for lending programme aimed at reducing retail interest rates. WNZL expects interest rates will remain low over the coming year, because inflation is expected to remain low.

The recent sharp decline in interest rates has generated a very sharp increase in asset prices, including residential property. WNZL anticipates ongoing rapid house price inflation during 2021. There is a risk that consumer price inflation will rise further in the future, prompting the Reserve Bank to increase interest rates. This could lead to a decline in residential property prices.

The New Zealand Government responded to the pandemic with a huge fiscal stimulus package. WNZL expects that fiscal policy will be gradually tightened over the coming years, constraining economic growth to some extent. Nevertheless, we expect New Zealand’s government debt to GDP ratio to remain low, peaking at 43 per cent. in 2024.

Despite the recent rebound in activity, WNZL expects that the economy will remain well below its pre-COVID trend for some time yet while restrictions on international travel remain in place. WNZL is forecasting a period of more rapid growth when the borders reopen – currently thought to be late-2021 or early-2022, although there is considerable uncertainty to that timing.

## **Major Shareholders and Share Capital**

WNZL is a direct wholly-owned subsidiary of Westpac New Zealand Group Limited (“WNZGL”), a New Zealand company, which, in turn, is a wholly-owned subsidiary of Westpac Overseas Holdings No. 2 Pty Limited (“WOHL”), an Australian company. WOHL is, in turn, a wholly-owned

subsidiary of WBC, an Australian company. WBC is incorporated in Australia under the Corporations Act 2001 (the “**Corporations Act**”) and its address for service of process is Level 18, Westpac Place, 275 Kent Street, Sydney, New South Wales 2000, Australia.

At 30 September 2020, WNZGL had a direct qualifying interest in 100 per cent. of the voting securities of WNZL. WBC has an indirect qualifying interest in 100 per cent. of the voting securities of WNZL.

WNZL has no partly paid share capital.

### **The Board of Directors**

The roles and responsibilities of the Board of Directors of WNZL (“**Board**”) are formalised in WNZL’s constitution and Board Charter. The business and affairs of WNZL must be managed by, or under the direction or supervision of, the Board. In doing so, the Board will provide strategic guidance for WNZL and its subsidiaries and effective oversight of management. The Board is also required to act in the best interests of WNZL. In addition, the Board has delegated certain functions to management.

WNZGL has the ability to directly appoint up to 100 per cent. of the Board and, as indirect holding companies of WNZL, both WBC and WOHL have the ability to indirectly appoint up to 100 per cent. of the Board.

In addition, WBC has the power under WNZL’s constitution to directly appoint up to 100 per cent. of the Board from time to time by giving written notice to WNZL. No Director may be appointed to the Board unless the RBNZ has advised it has no objection to that appointment.

### **Directors**

The Directors of WNZL, and their respective principal outside activities, where significant, at the date of this Base Prospectus are as set out below. The business address of each of the Directors should be regarded for the purposes of this Base Prospectus as Westpac on Takutai Square, 16 Takutai Square, Auckland 1010, New Zealand.

#### **Janice (Jan) Amelia Dawson, B.Com, F.C.A. – Chair**

Jan was appointed a Director of WNZL on 19 July 2011 and Board Chair on 19 February 2015. Jan was previously Chair and Chief Executive of KPMG New Zealand, a position she held from 2006 to July 2011. During this time, she was a Regional Board member of KPMG - Asia Pacific, a Board member of KPMG Australia and a Councillor of KPMG International. Jan is Deputy Chair of Air New Zealand Limited and a director of each of AIG Insurance New Zealand Limited, Meridian Energy Limited, Meridian LTI Trustee Limited, MP Dillion No 4 Trustee Limited, Pokaka Trustee Limited, Erua Limited and Jan Dawson Limited. She is a member of each of the Capital Investment Committee of the National Health Board, the Council of the University of Auckland, Audit Committee of the World Sailing Federation and World Sailing Council Vice-President and Director. She is also a Member of the HR Committee of BECA Group Limited..

### **David Alexander McLean, LL.B. (Hons) – Director**

David was appointed as Chief Executive of WNZL on 2 February 2015, having been Acting Chief Executive of WNZL since June 2014, and was appointed to the Board on the same day. Since joining Westpac in February 1999, David has held a number of senior roles including Head of Debt Capital Markets New Zealand, General Manager, Private, Wealth and Insurance New Zealand, Head of Westpac Institutional Bank New Zealand, and between October 2012 and June 2014, David was Managing Director of the Westpac Banking Corporation New York Branch. Before joining Westpac, David was Director, Capital Markets at Deutsche Morgan Grenfell where he was responsible for starting and developing a new debt capital markets origination business. He also established the New Zealand branch of Deutsche Bank and was New Zealand Resident Branch Manager. David is also a Director of each of Westpac NZ Operations Limited, Westpac Securities NZ Limited, Bibi McLean Trustees Limited, BT Financial Group (NZ) Limited and BT Funds Management (NZ) Limited. He is a member of each of the Mastercard Asia/Pacific Advisory Board, New Zealand Advisory Council on the Employment of Women, the New Zealand Prime Minister's Business Advisory Council, the Capital Markets 2029 Steering Committee and the New Zealand Bankers' Association and is Co-Chair of Champions for Change.

### **Malcolm Guy Bailey, B.Ag. Econ. – Director**

Malcolm was appointed a Director of WNZL on 1 September 2012. Malcolm has a strong economic background and has also been involved in farming, land ownership and governance of the industry. Malcolm is Chair of each of the Dairy Companies Association of New Zealand, Red Meat Profit Partnership General Partner Limited, the New Zealand International Business Forum and the Central Economic Development Agency Limited. Malcolm is a Director of each of Bailey Agriculture Limited, Bailey Family Properties Limited, BBD Industrial Properties Limited, Etech NZ Limited, Gleneig Holdings Limited, Frogparking Limited, RMI NZ Limited, Etech Engineering Services Limited, Tadpole NZ Limited and Greentech NZ Limited. Prior to farming, he was an economist with the RBNZ and is a former RBNZ External Monetary Policy Adviser.

### **Jonathan Parker Mason, M.B.A., M.A., B.A. – Director**

Jonathan was appointed a Director of WNZL on 18 June 2015. Jonathan has more than 30 years' experience as a Chief Financial Officer in major corporates operating in competitive markets in the USA and New Zealand. He was appointed Chair of WNZL's Board Audit Committee with effect from 1 January 2016. Jonathan joined Fonterra in 2009 as Chief Financial Officer from US-based chemicals company Cabot Corporation where he was Executive Vice-President and Chief Financial Officer. Prior to this, he was employed as the Chief Financial Officer at forest products company, Carter Holt Harvey, and also held senior financial management positions at US-based International Paper. Jonathan is Chair of Vector Limited and a Director of Zespri Group Limited, Zespri International Limited, Vector Communications Limited, Air New Zealand Limited, Alvarium (NZ) Wealth Management Holdings Limited, Alvarium Wealth (NZ) Limited, Allagash Limited, Vector Metering Data Services Limited, NGC Holdings Limited, Vector Gas Trading Limited, On Gas Limited, Advanced Metering Assets Limited, Advanced Metering Services Limited, Arc Innovations Limited and Vector Advanced Metering Assets (Australia) Limited. Earlier governance experience includes seven years on the Board of Carter Holt Harvey as well as being a Director of a US-based investment funds business, Natixis. He also held not-for-profit board roles at his own University, Beloit College and for the University of Auckland Foundation. Jonathan serves as an Adjunct Professor of Management at the University of Auckland,

specialising in international finance. He is a Board Member of the American Chamber of Commerce NZ and World Wildlife Fund New Zealand.

#### **Mary Patricia Leonie Quin, PhD, MBA, BSc (Hons)**

Mary Quin was appointed a director of WNZL on 18 May 2016 and Chair of the WNZL Board Technology Committee in May 2019. Until 31 July 2016 she was the CEO of Callaghan Innovation, a government agency which supports the commercialisation of innovation by New Zealand firms to grow the manufacturing and digital sectors of the economy. Mary grew up in New Zealand but spent most of her career in the USA where she held senior management and strategy positions at Xerox Corporation and Eastman Kodak Company as well as with start up high tech companies such as digital video editing pioneer Avid Technology.

Her early career experience as an industrial research scientist was with Raychem Corporation in California and France. Prior to returning to New Zealand in 2013 Mary spent seven years as President of NMS, an outsourced services company in Alaska jointly owned by an Inupiat Alaska Native Corporation and French multi-national corporation, Sodexo.

Mary's prior governance experience in New Zealand includes ASB Bank Limited and NZ Food Innovation Auckland (The FoodBowl). In the USA Mary served as a director for Material Sciences Corporation in Chicago; as director and Chair of the board for CEDPA, an international agency for women's health and human rights based in Washington DC; and on the board of Garth Fagan Dance Company in Rochester, New York. She was named the NZ Herald's New Zealander of the Year in 2014 for her role as the key witness in an international terrorism trial in New York City. Mary is also a director of Frogparking Limited.

#### **Philippa (Pip) Mary Greenwood - LLB**

Pip was appointed a WNZL director with effect from 1 April 2019 and Chair of the WNZL Board Risk & Compliance Committee on 1 December 2019.

Pip brings significant experience in capital markets, mergers and acquisitions, telecommunications and governance, and was one of New Zealand's leading commercial lawyers and a partner at Russell McVeagh.

Pip was with Russell McVeagh for 18 years, and has more than ten years' experience on the firm's board, previously serving as Board Chair and interim CEO of the firm. Over the years, Pip has advised on many high-profile New Zealand corporate transactions.

Pip was a member of the New Zealand Takeovers Panel from 2007 to 2011 and is a current director of Fisher & Paykel Healthcare Corporation Limited, Spark New Zealand Limited, The A2 Milk Company Limited and Vulcan Steel Limited.

#### **Director independence and avoidance of conflicts of interest by a Director**

The Board of WNZL is aware of its obligations to ensure that Directors of WNZL properly deal with conflicts of interest between their duties to WNZL and their own interests. In accordance with the requirements of the NZ Companies Act, a Director of WNZL must, forthwith after becoming aware of the fact that he or she is "interested" (as defined in the NZ Companies Act) in



a transaction or proposed transaction with WNZL, cause to be entered in WNZL's interests register certain details regarding that interest.

In accordance with WNZL's Board Charter and constitution, each Director must give notice to the Board of any direct or indirect interest in a matter relating to the affairs of WNZL as soon as practicable after the relevant facts have come to that Director's knowledge. Where a matter is to be considered at a Directors' meeting in which one or more Directors have an interest, the Board's practice is to manage any conflict of interest on a case by case basis, depending on the circumstances.

Further, the RBNZ's Conditions of Registration for WNZL (as a registered bank) ("**RBNZ Conditions of Registration**") include a requirement that WNZL's constitution must not include any provision permitting a Director, when exercising powers or performing duties as a Director, to act other than in what he or she believes is the best interests of WNZL.

The RBNZ Conditions of Registration require that Directors and the Chair of WNZL can only be appointed after the RBNZ has been supplied with a copy of the curriculum vitae of the proposed appointee and the RBNZ has advised that it has no objections to the appointment.

Since 1 April 2012, the RBNZ Conditions of Registration have also required that at least half of the Directors and the Chair must be independent, the majority of the Board must be non-executive Directors and at least half of the independent Directors must be ordinarily resident in New Zealand. Directors are considered to be independent if they are not an employee of WNZL, and are not a director, trustee or employee of any holding company of WNZL, or any other entity capable of controlling or significantly influencing WNZL. The RBNZ Conditions for Registration state that WNZL must have at least five directors.

In assessing independence, consideration is given to whether the Director has a business or other relationship with WNZL directly or as a partner, shareholder or officer of a company or other entity that has an interest, or a business or other relationship, with WNZL or another WBC Group member.

Information about any such interests or relationships, including any related financial or other details, is assessed to determine whether the relationship could, or could reasonably be perceived to, materially interfere with the exercise of a Director's unfettered and independent judgement.

There are a range of policies within the WBC Group relating to the management of conflicts of interest, such as the Conflicts of Interest and the Securities Trading Policies. Where these types of conflicts apply to the Board there is a consistent approach adopted. In certain circumstances, the Directors are subject to policies that restrict trading in WBC ordinary shares except in specified trading window periods and restrictions on participating in new offers initiated by WBC under the WBC Group Securities Trading Policy.

In addition, a Director is required to disclose any actual or potential conflict of interest on appointment as a Director and is required to keep these disclosures up to date.

As at the date of this Base Prospectus there are no existing or potential conflicts of interest between any duties owed to WNZL by its Directors and the private interests or external duties of those Directors. There have been no transactions entered into by any Director, or any immediate relative or close business associate of any Director, with WNZL or any of its subsidiaries, on terms

other than those that would, in the ordinary course of business of WNZL or any of its subsidiaries, be given to any other person of like circumstances or means, or which could otherwise be reasonably likely to influence materially the exercise of the Director's duties.

In respect of potential conflicts of interest that may arise in the future, WNZL will manage such conflicts in accordance with the WBC Group Conflicts of Interest Policy and/or the WNZL Conflicts of Interest Policy as applicable.

## **WNZL's Corporate Governance**

### ***Framework and approach to corporate governance and responsibility***

WNZL is not listed on the NZSX (the New Zealand main board equity security market, operated by NZX Limited). However, it is subject to regulatory oversight by the RBNZ as a registered bank and by the Financial Markets Authority as a provider of financial services.

The WBC Group's approach to corporate governance is based on a set of values and behaviours that underpin everyday activities, ensure transparency and fair dealing, and protect stakeholder interests.

This approach includes a commitment to the highest standards of governance, which the Board sees as fundamental to the sustainability of business and performance.

### ***WNZL Board Committees***

The Board is supported by the WNZL Board Audit Committee ("**WNZL BAC**") , WNZL Board Technology Committee ("**WNZL BTC**") and WNZL Board Risk & Compliance Committee ("**WNZL BRCC**").

#### ***WNZL Board Audit Committee***

The WNZL BAC currently comprises all of the non-executive Directors of the Board, all of whom are independent. The WNZL BAC assists the Board in fulfilling its responsibilities in relation to external reporting of financial information and the efficiency and effectiveness of audit and compliance with regulatory and statutory reporting requirements. It reviews the interim and annual financial statements, quarterly disclosure statements for WNZL, the activities of WNZL's and its subsidiaries' auditors and monitors the relationship between management and the external auditors.

#### ***WNZL Board Technology Committee***

The WNZL BTC currently comprises all of the non-executive Directors of the Board, all of whom are independent. The WNZL BTC has power delegated by the Board to review WNZL's technology strategy and oversee the implementation of, including monitoring the delivery of, technology-related transformation programs.

#### ***WNZL Board Risk & Compliance Committee***

The WNZL BRCC currently comprises all of the non-executive Directors of the Board, all of whom are independent. The WNZL BRCC has power delegated by the Board to recommend risk

appetites for Board approval, set risk management strategy (which must be consistent with Board approved risk appetites), approve frameworks, policies and processes for the management of risk and to accept risks beyond the approval discretion provided to management.

### **Recent Developments**

Chris Moller retired as a Director of WNZL effective 1 December 2019 and Peter King retired as a Director of WNZL effective 9 December 2019. There have been no other changes in the composition of the Board of Directors of WNZL since 30 September 2020.

### ***Review under section 95 of the Reserve Bank of New Zealand Act 1989***

In June 2019, in response to a review under section 95 of the Reserve Bank of New Zealand Act 1989 of WNZL's compliance with advanced internal rating based aspects of the RBNZ's 'Capital Adequacy Framework (Internal Models Based Approach)' ("**BS2B**"), WNZL presented the RBNZ with a submission providing an overview of its credit risk rating system and activities undertaken to address compliance issues and enhance risk management practices.

On 30 October 2019, the RBNZ informed WNZL that it had accepted the submission and measures undertaken by WNZL to achieve satisfactory compliance with BS2B, and that WNZL would retain its accreditation to use internal models for credit risk in the calculation of its regulatory capital requirements.

With effect from 31 December 2019, RBNZ removed the requirement imposed on WNZL since 31 December 2017 to maintain minimum regulatory capital ratios which were two percentage points higher than the ratios applying to other locally incorporated banks.

### **Credit ratings**

As at the date of this Base Prospectus, WNZL's credit rating issued by S&P Global Ratings is AA- with a 'negative' outlook, WNZL's credit rating issued by Moody's is A1 with a 'stable' outlook and WNZL's credit rating issued by Fitch Australia Pty Limited is A+ with a 'negative' outlook.

### **AUSTRAC proceedings issued against WBC**

On 20 November 2019 WBC received a statement of claim from AUSTRAC (the Australian money laundering regulator) commencing civil proceedings in relation to alleged contraventions of WBC's obligations under Australia's Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) ("**Aus AML/CTF Act**"). The proceedings relate to the alleged failure to report a large number of international fund transfer instructions and alleged failings in relation to correspondent banking, risk assessments, customer due diligence, transaction monitoring, record keeping and the passing on of certain data in funds transfer instructions. AUSTRAC alleged over 23 million contraventions of the Aus AML/CTF Act.

On 24 September 2020, WBC reached an agreement with AUSTRAC to resolve the proceedings, subject to Federal Court approval. Under the agreement, the parties agreed to file with the Federal Court a Statement of Agreed Facts and Admissions ("**SAFA**"), and to recommend to the Federal Court that WBC pay a civil penalty of A\$1.3 billion in relation to in excess of 23 million admitted contraventions of the AML/CTF Act. WBC also agreed to pay AUSTRAC's legal costs of A\$3.75 million. The settlement was approved by the Federal Court on 21 October 2020.

As part of the SAFA, WBC admitted to additional contraventions of the Aus AML/CTF Act to those in its Defence of May 2020 and to the new allegations in the Amended Statement of Claim that AUSTRAC filed with the Federal Court on 24 September 2020. Those additional admitted contraventions relate to the reporting of 76,144 international fund transfer instructions that did not contain the required information about the payer, two additional failures to comply with correspondent banking due diligence obligations, a failure to conduct appropriate ongoing customer due diligence in relation to a number of additional customers, and aspects of Part A of its AML/CTF Program not fully complying with the requirements under the Aus AML/CTF Act and the Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No.1).

WBC is also defending a class action proceeding which was commenced in December 2019 in the Federal Court by law firm Phi Finney McDonald, on behalf of certain investors in WBC securities between 16 December 2013 and 19 November 2019. The proceeding involves allegations relating to market disclosure issues connected to WBC's monitoring of financial crime over the relevant period and matters the subject of the AUSTRAC proceedings. The claims do not identify the amount of any damages sought. However, given the time period in question and the nature of the claims it is likely that the damages which will be alleged will be significant.

No related proceedings have been commenced against any member of the WNZL Group in New Zealand.

## **Regulatory Developments**

### ***COVID-19 impacts***

In response to the COVID-19 pandemic, a number of laws have been enacted by the New Zealand Government to help reduce the economic impact and it has implemented a range of material restrictions on businesses, venues, travel and movement. Many of these new measures have impacted WNZL's operations.

Also in response to the COVID-19 pandemic, there have been a number of new guidance updates published and regulatory delays announced by New Zealand regulators, including the RBNZ, and the Commerce Commission. The most significant of these updates or changes for WNZL are described in the relevant paragraphs below. On 2 April 2020, a decision was made by the RBNZ to freeze the distribution of dividends on ordinary shares by all banks in New Zealand during the period of economic uncertainty caused by the COVID-19 pandemic.

### ***RBNZ - Revised Outsourcing Policy***

As at 30 September 2020, WNZL is continuing to work towards compliance with the RBNZ's revised Outsourcing Policy (BS11) ("**Revised Outsourcing Policy**") by 30 September 2023 in line with the regulatory timeline.

As a result of complying with the Revised Outsourcing Policy, the ongoing cost of operating the WNZL business is expected to increase, in addition to the costs of implementing the changes.

### ***RBNZ Capital Review***

On 5 December 2019, the RBNZ announced changes to the capital adequacy framework in New Zealand. The new framework includes the following key components:

- Setting a Tier 1 capital requirement of 16 per cent. of risk weighted assets (“**RWA**”) for systemically important banks (including WNZL) and 14 per cent. for all other banks;
- Additional Tier 1 capital (“**AT1**”) can comprise no more than 2.5 per cent. of the 16 per cent. Tier 1 capital requirement;
- Eligible Tier 1 capital will comprise common equity and redeemable perpetual preference shares. Existing AT1 instruments will be phased out over a seven year period;
- Maintaining the existing Tier 2 capital requirement of 2 per cent. of RWA; and
- Recalibrating RWA for internal rating based banks, such as WNZL, such that aggregate RWA will increase to 90 per cent. of standardised RWA.

WNZL is already strongly capitalised with a Tier 1 capital ratio of 15 per cent. as at 30 September 2020 based on the current RBNZ rules. On a pro forma basis, (including the new RWA and capital requirements) at 30 September 2020 and assuming a Tier 1 capital ratio of 16-17 per cent., WNZL would require a further NZ\$1.6-NZ\$2.2 billion of Tier 1 capital to meet the new requirements that are fully effective in 2028.

In response to the impacts of COVID-19, and to support credit availability, the Reserve Bank has delayed the start date of aspects of the new capital regime until 1 July 2022. Banks will be given up to seven years to comply.

### ***Business Finance Guarantee Scheme***

On 13 April 2020 WNZL entered into a deed of indemnity with the New Zealand Government to implement the New Zealand Government’s business finance guarantee scheme (the “**Scheme**”). The key terms of the Scheme, which were amended and restated on 20 August 2020, are as follows:

- The Scheme permits banks to lend up to NZ\$5,000,000 to qualifying borrowers for a maximum of five years; and
- The New Zealand Government will pay 80 per cent. of any loss incurred by the Bank on a loan it makes under the Scheme, after the Bank has exhausted its recoveries procedures,

in each case, subject to the terms of the Scheme.

### ***Reserve Bank steps to support liquidity and customer lending***

On 16 March 2020 RBNZ announced that it would provide term funding through a Term Auction Facility (“**TAF**”) to give banks (including WNZL) the ability to access term funding, with collateralised loans out to a term of twelve months, in order to alleviate pressures in funding markets as a result of COVID-19. On 2 April 2020, RBNZ reduced the minimum core funding ratio for banks (including WNZL) from 75 per cent. to 50 per cent..

From 26 May 2020, for a period of six months, RBNZ will make available a Term Lending Facility (“**TLF**”), to offer loans for a fixed term of three years at the rate of the Official Cash Rate, with access to the funds linked to banks’ lending under the Scheme. On 20 August 2020, RBNZ announced it would extend the availability of the TLF to 1 February 2021 with terms of five years.

On 11 November 2020, RBNZ announced that additional stimulus would be provided through a Funding for Lending Programme (“**FLP**”), commencing in December 2020. The FLP will provide funding to banks at the prevailing OCR for a term of three years, secured by high quality collateral. The size of funding available under the FLP will include an initial allocation of 4 per cent. of each bank’s total loans and advances to New Zealand households, private non-financial businesses, and non-profit institutions serving households (eligible loans). A conditional additional allocation of up to 2 per cent. of eligible loans will also be made available, subject to growth in eligible loans, for a total size of up to 6 per cent. of eligible loans.

### ***Review of the Reserve Bank of New Zealand Act***

In November 2017, the New Zealand Government announced it would undertake a review of the Reserve Bank of New Zealand Act 1989 (“**RBNZ Review**”). The RBNZ Review consists of two phases. The legislation for the recommended Phase 1 related changes to New Zealand’s monetary policy framework received royal assent on 20 December 2018, and came into force on 1 April 2019.

The terms of reference for Phase 2 were released in June 2018 and consider the overarching objectives of the RBNZ’s institutional governance and decision-making, the macro-prudential framework, the current prudential supervision model, trans-Tasman coordination, supervision and enforcement and resolution and crisis management. Due to the COVID-19 pandemic, final policy decisions on Phase 2 were extended and are expected to be announced in the first half of 2021, with legislation expected in late 2021.

### ***Review of Westpac Banking Corporation’s Risk Governance***

On 17 December 2019, Australian Prudential Regulation Authority (“**APRA**”) initiated a review programme into WBC’s risk governance. APRA has notified WBC of its progress, findings, and proposed next steps. In particular, APRA identified that WBC has an immature and reactive risk culture, unclear accountabilities, capability shortfalls and inadequate oversight.

WBC has entered into an enforceable undertaking over risk governance remediation.

### ***Breach of Liquidity Requirements***

APRA has announced that it is taking action for breaches of liquidity requirements predominantly relating to WNZL. While the breaches have been rectified, and the Westpac Group would have still continuously met its liquidity ratio minimums, the Westpac Group has breached the APRA prudential standards. Specifically, as a material offshore subsidiary, WNZL’s liquidity cover ratio would have been below 100 per cent. for much of 2019.

APRA has indicated that WBC has material weakness in its liquidity processes and control. Accordingly, APRA is requiring:

- an external review of WBC’s liquidity compliance arrangements and the effectiveness of the implementation of the recommendations of WBC’s compliance plan review;
- an overlay on the Westpac Group’s liquidity requirements by applying a 10 per cent. increase to the Westpac Group’s net cash outflows. This overlay will be in place until the shortcomings have been rectified and will apply from 1 January 2021. If applied today,

- the overlay would reduce the Westpac Group's liquidity cover ratio by around 10-15 percentage points; and
- an accountability review.

Similarly, WNZL has breached the RBNZ's liquidity policy requirement and the breaches have been rectified. No additional actions have been announced by the RBNZ.

### ***Reform of Credit Contracts and Consumer Finance Legislation***

The Credit Contracts Legislation Amendment Act (the "CCLAA") received royal assent on 19 December 2019 and introduces a number of changes to the Credit Contracts and Consumer Finance Act, including new duties for directors and senior managers and increased penalties and statutory damages. The CCLAA also introduces more prescriptive requirements around suitability and affordability assessments as well as a cap for interest and fees of 'high cost' loans (being loans with annualised interest of 50 per cent. or greater). Whilst certain provisions of the act have already come into force, due to the COVID-19 pandemic the remaining provisions have been delayed, in most cases, until 1 October 2021.

### ***Limits on material financial support by Australian parent bank***

On 19 November 2015, APRA informed WBC that its Extended Licensed Entity ("ELE") non-equity exposures to New Zealand banking subsidiaries is to transition to be below a limit of five per cent. of WBC's Level 1 Tier 1 capital, as part of an initiative to reduce Australian bank non-equity exposure to their respective New Zealand banking subsidiaries and branches.

The ELE consists of WBC and its subsidiary entities that have been approved by APRA to be included in the ELE for the purposes of measuring capital adequacy.

APRA has allowed a period of five years commencing on 1 January 2016 to transition to be less than the five per cent. limit. Exposures for the purposes of this limit include all committed, non-intraday, non-equity exposures including derivatives and off-balance sheet exposures. For the purposes of assessing this exposure, the five per cent. limit excludes equity investments and holdings of capital instruments in New Zealand banking subsidiaries. As at 30 September 2020, the ELE's non-equity exposures to New Zealand banking subsidiaries affected by the limit were below 5 per cent. of Level 1 Tier 1 capital of WBC.

APRA has also confirmed the terms on which WBC 'may provide contingent funding support to a New Zealand banking subsidiary during times of financial stress'. APRA has confirmed that, at this time, only covered bonds meet its criteria for contingent funding arrangements.

### ***OTC Derivatives Reform***

International regulatory reforms relating to over-the-counter ("OTC") derivatives continue to be implemented across the globe, with a current focus on initial margin and risk mitigation practices for non-centrally cleared derivatives.

As of 1 September 2019, WNZL is subject to initial margin requirements. Global initial margin requirements will continue to be introduced in phases until 1 September 2021.

## **Brexit**

There continues to be uncertainty on the timing and process for the UK's withdrawal from the European Union (the "EU").

As WBC's and WNZL's businesses and operations are based predominantly in Australia and New Zealand, WBC and WNZL expect that the direct impact of the UK's departure from the EU is unlikely to be material to WBC and WNZL.

However, it remains difficult to predict the impact that Brexit may have on financial markets, the global economy and the global financial services industry. The WBC Group has contingency planning in place and has been active in dialogue with affected customers.

## **Other matters**

In addition to those matters identified above, the WNZL Group remains subject to continued regulatory engagement in the nature of ongoing investigations and reviews which may result in further regulatory change or requirements for customer remediation. The WNZL Group continues to identify and remediate conduct issues and risks as they arise.

The WNZL Group has other contingent liabilities in respect of actual and potential claims and proceedings. An assessment of the WNZL Group's likely loss in respect of these matters has been made on a case-by-case basis and provision has been made in WNZL's financial statements where appropriate.

## **Organisational Structure**

As at 30 September 2020, WNZL's controlled entities<sup>12</sup> were: Westpac NZ Operations Limited (a holding company), Westpac Securities NZ Limited (a funding company), Westpac (NZ) Investments Limited (a property company), The Home Mortgage Company Limited (a residential mortgage company), Number 120 Limited (a finance company), Red Bird Ventures Limited (corporate venture capital), Westpac NZ Securitisation Holdings Limited (a holding company), Westpac NZ Securitisation Limited (a funding company), Westpac NZ Securitisation No. 2 Limited (a non-active company), Westpac NZ Covered Bond Holdings Limited (a holding company), Westpac NZ Covered Bond Limited (a guarantor), Aotearoa Financial Services Limited (a non-

---

<sup>12</sup> The WNZL Group, through its subsidiary, Westpac NZ Operations Limited, has a qualifying interest of 9.5 per cent. in Westpac NZ Covered Bond Holdings Limited and its wholly-owned subsidiary company, Westpac NZ Covered Bond Limited. WNZL is considered to control both Westpac NZ Covered Bond Holdings Limited and Westpac NZ Covered Bond Limited based on contractual arrangements in place, and as such both Westpac NZ Covered Bond Holdings Limited and Westpac NZ Covered Bond Limited are consolidated within the financial statements of the WNZL Group.

The WNZL Group, through its subsidiary, Westpac NZ Operations Limited, has a qualifying interest of 9.5 per cent. in Westpac NZ Securitisation Holdings Limited and its wholly-owned subsidiary companies, Westpac NZ Securitisation Limited and Westpac NZ Securitisation No.2 Limited. WNZL is considered to control Westpac NZ Securitisation Holdings Limited, Westpac NZ Securitisation Limited and Westpac NZ Securitisation No.2 Limited based on contractual arrangements in place, and as such Westpac NZ Securitisation Holdings Limited, Westpac NZ Securitisation Limited and Westpac NZ Securitisation No.2 Limited are consolidated within the financial statements of the WNZL Group



active company), the Westpac Term PIE Fund (a portfolio investment entity)<sup>13</sup>, the Westpac Cash PIE Fund (a portfolio investment entity), Westpac Notice Saver PIE Fund (a portfolio investment entity) and Westpac New Zealand Staff Superannuation Scheme Trustee Limited (a trustee company). The ultimate parent of WNZL and its subsidiaries is WBC.

Red Bird Ventures Limited was incorporated on 5 August 2020 and is a wholly owned company of Westpac NZ Operations Limited.

---

<sup>13</sup> Westpac Term PIE Fund, Westpac Cash PIE Fund and Westpac Notice Saver PIE Fund (collectively referred to as the “**PIE Funds**”) were established as unit trusts. The PIE Funds are Portfolio Investment Entities (“**PIE**”), where BT Funds Management (NZ) Limited (an indirectly wholly-owned subsidiary of Westpac Banking Corporation) is the manager and issuer. The manager has appointed WNZL to perform all customer management and account administration for the PIE Funds. WNZL is the PIE Funds’ registrar and administration manager. WNZL does not hold any units in the PIE Funds, however is considered to control them based on contractual arrangements in place, and as such the PIE Funds are consolidated in the financial statements of the WNZL Group.

## WESTPAC SECURITIES NZ LIMITED

The Instruments are issued by WSNZL acting through its London branch. The London branch of WSNZL is not a separate legal entity, or a subsidiary, of WSNZL. The obligations of WSNZL in respect of Instruments issued by WSNZL acting through its London branch are the obligations of WSNZL as a company incorporated in New Zealand, and are not limited to the London branch or any other branch of WSNZL. Accordingly, investors have recourse to WSNZL as a company, and not just the London branch or any branch of WSNZL, in respect of WSNZL's obligations under Instruments.

WSNZL is a funding company directly wholly-owned by WNZOL, which is a wholly-owned subsidiary of WNZL. As at 30 September 2020, WSNZL had 651,185 ordinary shares on issue. As at the date of this Base Prospectus, WSNZL has no partly paid share capital. Its ultimate parent is WBC. WSNZL was incorporated on 29 August 2006 as a limited liability company under the laws of New Zealand with registration number 1859984. WSNZL's NZ Business Number is 9429033900759.

The registered office of WSNZL is Westpac on Takutai Square, 16 Takutai Square, Auckland 1010, New Zealand.

WSNZL commenced operating from 1 November 2006. The principal activity of WSNZL is to raise and manage offshore wholesale funding for WNZL. This enables the diversification of WNZL's funding sources, response to funding opportunities through its presence in the United Kingdom, and the generation of funding in maturities and volumes that fulfil WNZL's funding strategy. As a wholly-owned indirect subsidiary of WNZL, WSNZL will be dependent upon WNZL for the guarantee of the due and punctual payment of all amounts due under the Instruments issued from time to time by WSNZL. The business address and telephone number of WSNZL in New Zealand and its London branch are Westpac on Takutai Square, 16 Takutai Square, Auckland 1010, New Zealand (telephone number (64 9) 366 9924) and Camomile Court, 23 Camomile Street, London EC3A 7LL, United Kingdom (telephone number (44 20) 7621 7540) respectively.

### Directors

The Directors of WSNZL at the date of this Base Prospectus are:

<b>Name</b>	<b>Principal activity outside Westpac Securities NZ Limited</b>
David Alexander McLean	Chief Executive Officer, WNZL
Mark Broughton Weenink	General Manager Regulatory Affairs, Corporate Legal Services and General Counsel NZ, WNZL
Carolyn Mary Kidd	Chief Risk Officer, WNZL
Johanna Claire Sawden	Chief Procurement Officer, WNZL

The business address of each of the Directors is Westpac on Takutai Square, 16 Takutai Square, Auckland 1010, New Zealand.

WSNZL is not listed on the NZSX (the New Zealand main board equity security market, operated by NZX Limited) and is not an issuer of securities to the public in New Zealand. Accordingly, WSNZL is not subject to NZX Limited's Corporate Governance Best Practice Code.

The Board of WSNZL is aware of its obligations to ensure that Directors properly deal with conflicts of interest between their duties to WSNZL and their own interests. In accordance with the requirements of the NZ Companies Act, a Director of WSNZL must, forthwith after becoming aware of the fact that he or she is "interested" (as defined in the NZ Companies Act) in a transaction or proposed transaction with WSNZL, cause to be entered in WSNZL's interests register certain details regarding that interest. Directors are also subject to the WSNZL Conflicts of Interest Policy.

In addition, as a WBC Group subsidiary, WSNZL's Directors are covered by the range of policies of WBC relating to the management of conflicts of interest, including the WBC Group Conflicts of Interest Policy and WBC Group Securities Trading Policy.

As at the date of this Base Prospectus, there are no existing or potential conflicts of interest between any duties owed to WSNZL by its Directors and the private interests or external duties of those Directors.

In respect of potential conflicts of interest that may arise in the future, WSNZL will manage such conflicts in accordance with the WBC Group Conflicts of Interest Policy and the WSNZL Conflicts of Interest Policy.

In relation to the responsibilities of the Board of Directors of WSNZL, the NZ Companies Act provides that the business of WSNZL must be managed by, or under the direction or supervision of, the Board. In addition, the Board has all the powers necessary for managing, and directing and supervising the management of, the business and offices of WSNZL.

**WESTPAC NEW ZEALAND LIMITED**  
**SELECTED FINANCIAL INFORMATION**

Consolidated Income Statements for the years ended 30 September 2020 and 2019 of Westpac New Zealand Limited and its subsidiaries (extracted without any material adjustments from the 2020 published disclosure statement prepared in accordance with the *Financial Markets Conduct Act 2013*, the *Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014, as amended* (the “Order”), the *Reserve Bank of New Zealand Act 1989* and New Zealand equivalents to International Financial Reporting Standards (“NZ-IFRS”).

Income statement for the year ended 30 September	The WNZL Group	
	2020 NZ \$m	2019 NZ \$m
Interest income	3,540	4,011
Interest expense	(1,665)	(2,068)
<b>Net interest income</b>	1,875	1,943
Non-interest income	243	329
<b>Net operating income before operating expenses and impairment charges</b>	2,118	2,272
Operating expenses	(1,030)	(961)
Impairment (charges)/benefits	(320)	10
<b>Profit before income tax</b>	768	1,321
Income tax expense	(218)	(357)
<b>Net profit attributable to the owners of the WNZL Group</b>	550	964

**Consolidated Balance Sheets for the years ended 30 September 2020 and 2019 of Westpac New Zealand Limited and its subsidiaries (extracted without any material adjustment from the 2020 published disclosure statement prepared in accordance with the *Financial Markets Conduct Act 2013*, the Order, the *Reserve Bank of New Zealand Act 1989* and New Zealand equivalents to International Financial Reporting Standards (“NZ-IFRS”)).**

Balance sheet as at 30 September	The WNZL Group	
	2020 NZ \$m	2019 NZ \$m
<b>Assets</b>		
Cash and balances with central banks	4,360	1,864
Collateral paid	148	168
Other financial assets	196	178
Trading securities and financial assets measured at fair value through income statement (FVIS)	2,437	1,661
Derivative financial instruments	599	616
Investment securities	5,021	4,469
Loans	87,959	84,160
Due from related entities	1,094	2,502
Property and equipment	398	137
Deferred tax assets	280	174
Intangible assets	647	636
Other assets	53	42
<b>Total assets</b>	<b>103,192</b>	<b>96,607</b>
<b>Liabilities</b>		
Collateral received	419	473
Deposits and other borrowings	73,970	65,606
Other financial liabilities	287	455
Derivative financial instruments	293	257
Debt issues	15,799	17,846
Current tax liabilities	73	72

Provisions	206	144
Other liabilities	356	96
<b>Total liabilities excluding related entities liabilities</b>	<b>91,403</b>	<b>84,949</b>
Due to related entities	1,487	1,632
Loan capital	2,612	2,609
<b>Total related entities liabilities</b>	<b>4,099</b>	<b>4,241</b>
<b>Total liabilities</b>	<b>95,502</b>	<b>89,190</b>
<b>Net assets</b>	<b>7,690</b>	<b>7,417</b>
<b>Shareholder's equity</b>		
Share capital	7,300	7,300
Retained profits	415	194
Reserves	(25)	(77)
<b>Total shareholder's equity</b>	<b>7,690</b>	<b>7,417</b>

**WESTPAC SECURITIES NZ LIMITED**  
**SELECTED FINANCIAL INFORMATION**

The selected financial information extracted below in respect of WSNZL is presented in accordance with New Zealand equivalents to International Financial Reporting Standards (“NZ-IFRS”) and is derived for the years ended 30 September 2020 and 2019 from the audited non-consolidated financial statements for the year ended 30 September 2020.

**Statement of comprehensive income for the year ended 30 September**

	<b>2020 NZ \$'000</b>	<b>2019 NZ \$'000</b>
Interest income	212,082	256,163
Interest expense	(207,059)	(251,467)
<b>Net interest income</b>	<b>5,023</b>	<b>4,696</b>
Non-interest income	1,085	1,095
<b>Net operating income before operating expenses</b>	<b>6,108</b>	<b>5,791</b>
Operating expenses	(987)	(995)
<b>Profit before income tax</b>	<b>5,121</b>	<b>4,796</b>
Income tax expense	(1,478)	(1,342)
<b>Net profit for the year</b>	<b>3,643</b>	<b>3,454</b>
Other comprehensive income (net of tax)	-	-
<b>Total comprehensive income for the year</b>	<b>3,643</b>	<b>3,454</b>

**Balance sheet as at 30 September**

	<b>2020 NZ \$'000</b>	<b>2019 NZ \$'000</b>
<b>Assets</b>		
Cash and cash equivalents	11,368	7,724
Receivables due from related entities	12,185,303	17,474,655
Current tax asset	570	3,567
<b>Total assets</b>	<b>12,197,241</b>	<b>17,485,946</b>
<b>Liabilities</b>		
Payables due to related entities	2,040	2,688,491
Debt issues	12,159,922	14,749,184
Other financial liabilities	24,492	37,673
<b>Total liabilities</b>	<b>12,186,454</b>	<b>17,475,348</b>
<b>Net assets</b>	<b>10,787</b>	<b>10,598</b>
<b>Shareholder's equity</b>		
Share capital	651	651
Retained profits	10,136	9,947
<b>Total shareholder's equity</b>	<b>10,787</b>	<b>10,598</b>



## TAXATION

The information provided below does not purport to be a complete summary of U.S. Foreign Account Tax Compliance Act (“FATCA”) or New Zealand or United Kingdom tax law and practice currently applicable. This section applies only to Instruments issued by WSNZL acting through its London branch. Prospective investors who are in any doubt as to their tax position should consult their own professional advisers.

The Instruments are issued by WSNZL acting through its London branch. The London branch of WSNZL is not a separate legal entity, or a subsidiary, of WSNZL. The obligations of WSNZL in respect of Instruments issued by WSNZL acting through its London branch are the obligations of WSNZL as a company incorporated in New Zealand, and are not limited to the London branch or any other branch of WSNZL. Accordingly, investors have recourse to WSNZL as a company, and not just the London branch or any branch of WSNZL, in respect of WSNZL’s obligations under the Instruments.

### New Zealand

A deduction on account of New Zealand resident withholding tax will be made from the payment of interest (as defined for New Zealand tax purposes) by WSNZL to a Holder or beneficial owner if:

- (a) the person deriving the interest is:
  - (i) a resident of New Zealand for New Zealand tax purposes; or
  - (ii) a person who carries on business in New Zealand through a fixed establishment (as defined for New Zealand tax purposes) in New Zealand and holds the Instruments for the purposes of a business carried on through that fixed establishment; or
  - (iii) a registered bank (as defined for New Zealand tax purposes) engaged in business through a fixed establishment in New Zealand,(each a “**New Zealand Holder**”); and
- (b) at the time of such payment the New Zealand Holder does not have RWT-exempt status.

WSNZL shall not make any additional payments to Holders or beneficial owners of Instruments issued by WSNZL where any deduction on account of New Zealand resident withholding tax is made.

New Zealand law requires a deduction on account of non-resident withholding tax to be made from the payment of New Zealand sourced income constituting interest (as defined for New Zealand tax purposes) made to any Holder who is not a New Zealand Holder. Where non-resident withholding tax is required to be deducted from the payment of any interest (as defined for New Zealand tax purposes), WSNZL may gross up the interest payment in accordance with the Terms and Conditions, or reduce the applicable rate of non-resident withholding tax to zero per cent. by registering the Programme with the New Zealand Inland Revenue Department and paying, on its own account, an approved issuer levy equal to 2 per cent. of the relevant interest payment. In

addition, WSNZL may be required by law to pay the approved issuer levy in the event New Zealand non-resident withholding tax would be payable but for an exemption under a double tax agreement. The Programme is registered for approved issuer levy with the New Zealand Inland Revenue.

If a Holder or beneficial owner of any Instruments issued by WSNZL derives interest (as defined for New Zealand tax purposes) jointly with one or more persons and at least one such person is resident for tax purposes in New Zealand and the interest derived by that Holder or beneficial owner is subject to New Zealand non-resident withholding tax, the rate of non-resident withholding tax is the applicable rate of resident withholding tax and that rate cannot be reduced to zero per cent. by payment of a New Zealand approved issuer levy amount. WSNZL shall not make any additional payments to such joint Holders of Instruments issued by WSNZL where any deduction on account of New Zealand non-resident withholding tax is made. However, WSNZL or WSNZL may be required by law to pay the approved issuer levy in the event New Zealand non-resident withholding tax would be payable but for an exemption under a double tax agreement.

## **United Kingdom**

The following is a summary of the United Kingdom withholding taxation treatment at the date hereof in relation to payments of principal and interest in respect of the Instruments. The comments do not deal with other United Kingdom tax aspects of acquiring, holding or disposing of Instruments. The comments relate only to the position of persons who are the absolute beneficial owners of the Instruments. The following is a general guide and should be treated with appropriate caution. Holders of Instruments who are in any doubt as to their tax position should consult their professional advisers.

Holders of Instruments who may be liable to tax in jurisdictions other than the United Kingdom in respect of their acquisition, holding or disposal of the Instruments are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions). In particular, Holders of Instruments should be aware that they may be liable to tax under the laws of other jurisdictions in relation to payments in respect of the Instruments even if such payments may be made without withholding or deduction for or on account of tax under the laws of the United Kingdom.

### **A. United Kingdom Withholding Tax on United Kingdom-source interest**

The following comments apply to United Kingdom-source interest (“**UK-source interest**”). As the Instruments are issued by the Issuer acting through its London branch, payments of interest on the Instruments are likely to be treated as having a United Kingdom source.

#### **A.1 Instruments listed on a recognised stock exchange**

The Instruments issued by the Issuer which carry a right to UK-source interest (“**UK Instruments**”) will constitute “quoted Eurobonds” provided they are and continue to be either (a) listed on a recognised stock exchange or (b) admitted to trading on a multilateral trading facility operated by an EEA-regulated recognised stock exchange (within the meaning of Section 987 of the Income Tax Act 2007) or, on and following IP completion day (within the meaning of Section 39 of the European Union (Withdrawal Agreement) Act 2020), operated by a regulated recognised stock exchange (within the meaning of

Section 987 of the *Income Tax Act 2007*). Pursuant to Section 1005 of the *Income Tax Act 2007*, securities are listed on a recognised stock exchange for these purposes if they are (i) admitted to trading on that exchange and (ii) included in the Official List (within the meaning of and in accordance with Part 6 of the *Financial Services and Markets Act 2000*, as amended (“**FSMA**”)) or are officially listed in a qualifying country outside the United Kingdom in accordance with provisions corresponding to those generally applicable in EEA states. The London Stock Exchange is a recognised stock exchange for these purposes. Provided that the UK Instruments are and continue to be quoted Eurobonds, payments of interest on the UK Instruments may be made without withholding or deduction for or on account of United Kingdom income tax.

- A.2** In all cases falling outside the exemption described in A.1 above, interest on the UK Instruments may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply. However, this withholding will not apply if the relevant interest is paid on UK Instruments with a maturity of less than one year from the date of issue and which are not issued under arrangements which are capable of rendering such UK Instruments part of a borrowing with a total term of a year or more.

**B. Payments by WNZL**

If WNZL makes any United Kingdom source payments in respect of the Instruments, such payments may be subject to United Kingdom withholding tax at the basic rate (currently 20 per cent.) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply. Such payments by WNZL may not be eligible for all the reliefs and exemptions described in A above.

**C. Payments under Deed of Covenant**

Any payments made by the Issuer under the Deed of Covenant may not qualify for all the reliefs and exemptions from United Kingdom withholding tax described in A above.

**D. Other Rules Relating to United Kingdom Withholding Tax**

1. Instruments may be issued at an issue price of less than 100 per cent. of their principal amount. Pursuant to the provisions mentioned in A above, any discount element on any such Instruments will not generally be subject to any United Kingdom withholding tax as long as any payments in respect of the accrued discount do not constitute payment of interest, but such Instruments may be subject to reporting requirements.
2. Where Instruments are to be, or may fall to be, redeemed at a premium, as opposed to being issued at a discount, then any such element of premium may constitute a payment of interest. Payments of interest are subject to United Kingdom withholding tax and reporting requirements.
3. Where interest has been paid under deduction of United Kingdom income tax, Holders of Instruments who are resident for tax purposes in a jurisdiction that has

a double taxation treaty with the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in that applicable double taxation treaty.

4. The references to “interest” above (including in A to C above) mean “interest” as understood in United Kingdom tax law and, in particular, do not include interest which falls to be treated under the United Kingdom tax rules as a distribution. The statements above do not take any account of any different definitions of “interest” which may prevail under any other law or which may be created by the terms and conditions of the Instruments or any related documentation.
5. The above description of the United Kingdom withholding tax position assumes that there will be no substitution of the Issuer pursuant to Condition 16 (Substitution of the Issuer) of the Instruments and does not consider the tax consequences of any such substitution.

#### ***FATCA (the “U.S. Foreign Account Tax Compliance Act”)***

It is possible that, in order to comply with FATCA, the Issuer (or, if the Instruments are held through another financial institution, such other financial institution) may be required (pursuant to an agreement entered into with the United States or under applicable law (including pursuant to the terms of any applicable intergovernmental agreement entered into between the United States and any other jurisdiction)) (i) to request certain information from the Holders or beneficial owners of the Instruments, which information may be provided to the U.S. Internal Revenue Service (“IRS”), and (ii) to withhold U.S. tax on any portion of any payment with respect to the Instruments treated as a foreign passthru payment made two years or more after the date on which the final regulations that define “foreign passthru payments” are published if such information is not provided or if payments are made to certain foreign financial institutions that have not entered into a similar agreement with the United States or have not otherwise complied with the FATCA regime under applicable law (including pursuant to the terms of any applicable intergovernmental agreement entered into between the United States and any other jurisdiction).

If the Issuer or any other person is required to withhold or deduct amounts arising under or in connection with FATCA from any payments made with respect to the Instruments, the Holders and the beneficial owners of the Instruments will not be entitled to receive any gross up or other additional amounts under Condition 8 (*Taxation*) of the Instruments, or otherwise, on account of any such withholding or deduction. FATCA is complex and its application to the Instruments remains uncertain. Prospective investors are advised to consult their own tax advisors as to the application of FATCA to the Instruments.

## SUBSCRIPTION AND SALE

Instruments may be issued from time to time by the Issuer to any one or more of Barclays Bank PLC, BNP Paribas, Citigroup Global Markets Limited, Deutsche Bank AG, London Branch, Goldman Sachs International, The Hongkong and Shanghai Banking Corporation Limited, J.P. Morgan Securities plc, Merrill Lynch International, Morgan Stanley & Co. International plc, Nomura International plc, UBS AG London Branch and WBC (the “**Dealers**”). Instruments may also be issued by the Issuer direct to institutions who are not Dealers. The arrangements under which Instruments may from time to time be agreed to be issued by the Issuer to, and subscribed by, Dealers are set out in an amended and restated dealership agreement dated 18 December 2018 (the “**Dealership Agreement**”) as supplemented by way of a first supplemental dealership agreement dated 11 December 2019 and a second supplemental dealership agreement dated 17 December 2020 and made between the Issuer, WNZL and the Dealers. Any such agreement will, *inter alia*, make provision for the form and Terms and Conditions of the relevant Instruments, the price at which such Instruments will be subscribed for by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription. The Dealership Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Instruments.

Certain 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. 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. Dealers or their affiliates which have a lending relationship with the Issuer or its affiliates routinely hedge their credit exposure to the Issuer or its affiliates consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which would consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially any Instruments issued under the Programme. Any such short positions could adversely affect future trading prices of any Instruments 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.

### **United States of America:**

Regulation S Category 2; TEFRA D, unless TEFRA C is specified as applicable in the relevant Final Terms; Rule 144A Eligible if so specified in the relevant Final Terms.

Instruments have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act.

Instruments in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. tax regulations. Terms used in the preceding sentence have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree, that, except as permitted by the Dealership Agreement, it will not offer, sell or deliver Instruments, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Instruments comprising the relevant Tranche, as certified to the Fiscal Agent or the Issuer by such Dealer (or, in the case of a sale of a Tranche of Instruments to or through more than one Dealer, by each of such Dealers as to Instruments of such Tranche purchased by or through it, in which case the Fiscal Agent or the Issuer shall notify each such Dealer when all such Dealers have so certified) within the United States or to or for the account or benefit of U.S. persons, and such Dealer will have sent to each dealer to which it sells Instruments during the restricted period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Instruments 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 of Instruments comprising any Tranche, any offer or sale of Instruments within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the Securities Act (if available).

In certain limited circumstances, Registered Instruments may be offered within the United States only to person reasonably believed to be 'qualified institutional buyers' in accordance with Rule 144A under the Securities Act. Registered Instruments issued in these certain limited circumstances will bear a Restrictive Legend in accordance with Condition 3.8.

### **Prohibition of Sales to EEA and United Kingdom Retail Investors**

Unless the Final Terms in respect of any Instruments specifies the "Prohibition of Sales to EEA and United Kingdom 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 Instruments 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 EEA or in the United Kingdom. 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 MiFID II; or
  - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation; and

- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Instruments.

If the Final Terms in respect of any Instruments specifies the “Prohibition of Sales to EEA and United Kingdom Retail Investors” as “Not Applicable”, in relation to each Member State of the EEA and the United Kingdom, 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 Instruments which have a minimum denomination of less than €100,000 (or the equivalent in another currency) except that it may make an offer of such Instruments at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation.

For the purposes of this provision, 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:

- (1) *General compliance*: It has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Instruments in, from or otherwise involving the United Kingdom;
- (2) *No deposit-taking*: in relation to any Instruments which have a maturity of less than one year: it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell the Instruments other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Instruments would otherwise constitute a contravention of section 19 of the FSMA by the Issuer; and
- (3) *Financial promotion*: It has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Instruments in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or WNZL.

#### **Australia:**

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that in connection with the distribution of the Instruments, it:

- (i) has not made and will not make any offer or invitation in Australia or any offer or invitation which is received in Australia in relation to the issue, sale or purchase of any Instruments unless the offeree is required to pay at least A\$500,000 in aggregate for the Instruments or its foreign currency equivalent (in either case disregarding amounts, if any, lent by the Issuer or other person offering the Instruments or its associates (within the meaning of

that expression in Part 6D.2 of the Corporations Act)), or it is otherwise an offer or invitation for which by virtue of section 708 of the Corporations Act no disclosure is required to be made under Part 6D.2 of the Corporations Act or is otherwise required under Part 7 of the Corporations Act and is not made to a retail client (as defined in section 761G of the Corporations Act); and

- (ii) has not circulated or issued and will not circulate or issue a disclosure document relating to the Instruments in Australia or received in Australia which requires lodging under Part 6D.2 or Part 7 of the Corporations Act.

#### **Hong Kong:**

In relation to each Tranche of Instruments, 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 not offered or sold and will not offer or sell in the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), by means of any document, any Instruments other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of the *Laws of Hong Kong*, the "**SFO**") and any rules made under the SFO; (b) in other circumstances which do not result in the document being a prospectus as defined in the *Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong)* or which do not constitute an offer to the public within the meaning of that Ordinance; or (c) Instruments which are a "structured product" as defined in the SFO; and
- (B) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Instruments, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Instruments which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

#### **Japan:**

The Instruments have not been and will not be registered under the *Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended (the "FIEL"))* and, accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Instruments, directly or indirectly, in Japan or to, or for the account or benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the account or benefit of, any Japanese Person, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.



**France:**

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, and will not offer or sell, directly or indirectly, any Instruments to the public in France, and that offers and sales of Instruments in France will be made only to providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or to qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in Articles L.411-1, L.411-2 and D.411-1 of the *French Code monétaire et financier*, but excluding individuals.

No re-transfer, directly or indirectly, of the Instruments in France, other than in compliance with applicable laws and regulations shall be made.

In addition, 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 distributed or caused to be distributed and will not distribute or cause to be distributed in France, the Base Prospectus or any other offering material relating to the Instruments other than to investors to whom offers and sales of Instruments in France may be made as described above.

**The Republic of Ireland:**

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

- (A) it will not underwrite the issue of, or place the Instruments, otherwise than in conformity with the provisions of the *European Union (Markets in Financial Instruments) Regulation, 2017 (as amended)*, including any codes of conduct used in connection therewith and the provisions of the *Investor Compensation Act 1998*;
- (B) it will not underwrite the issue of, or place, the Instruments, otherwise than in conformity with the provisions of the *Companies Act 2014 of Ireland (as amended)*, the *Central Bank Acts 1942 - 2019 (as amended)* and any codes of conduct rules made under Section 117(1) of the *Central Bank Act 1989*; and
- (C) it will not underwrite the issue of, place or otherwise act in the Republic of Ireland in respect of the Instruments, otherwise than in conformity with the provisions of the *Market Abuse Regulation (EU) 596/2014 (as amended)* and any rules and guidance issued by the Central Bank under Section 1370 of the *Companies Act 2014* of Ireland.

**The Republic of Italy:**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the offering of the Instruments has not been registered pursuant to Italian securities legislation and, accordingly, the Instruments may not be offered, sold or delivered, nor may copies of this Base Prospectus or any other document relating to the Instruments be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the Prospectus Regulation and Article 100 of *Legislative Decree No. 58 of 24 February 1998*,

as amended ("**Decree No. 58**") and Article 34-ter, first paragraph, letter b, of the *Italian Securities Exchange Commission ("CONSOB") Regulation No. 11971 of 14 May 1999, as amended (the "11971 Regulation")* provided that such qualified investors will act in that capacity and not as depositaries or nominees for other holders; or

- (b) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation and Article 100 of Decree No. 58 and Article 34-ter of the 11971 Regulation.

Furthermore, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer, sale or delivery of the Instruments or distribution of copies of this Base Prospectus or any other document relating to the Instruments in the Republic of Italy under (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with *Decree No. 58, Legislative Decree No. 385 of 1 September 1993, as amended ("Decree No. 385")*, CONSOB Regulation No. 16190 of 29 October 2007, as amended and any other applicable laws and regulations;
- (ii) in compliance with Article 129 of Decree No. 385 and the implementing guidelines of the Bank of Italy, as amended from time to time (*Istruzioni di Vigilanza della Banca d'Italia*), pursuant to which the issue, offer, sale, trading, or placement of securities in the Republic of Italy may need to be followed by appropriate notice to be filed with the Bank of Italy; and
- (iii) in accordance with any other applicable notification requirements, limitations, laws and regulations, including (but not limited to) those imposed by CONSOB or by the Bank of Italy.

Each Dealer has acknowledged and agreed that it is aware of the fact that, pursuant to Italian laws, including Article 100-bis of Decree No. 58:

- (a) any subsequent resale of the Instruments - which have been previously the subject of an exempted offer - shall be subject to registration and shall be accompanied by a prospectus to the extent that such a resale qualifies as an offer to the public and it is not exempted from the registration and prospectus requirements;
- (b) any subsequent and systematic resale of the Instruments – which have been previously allotted in the Republic of Italy or abroad to qualified investors – to individuals (or entities) other than qualified investors over the 12 months following the original allotment qualifies as an offer to the public (subject to registration and to the publication of a prospectus) to the extent that it is not exempted from the registration and prospectus requirements; and
- (c) if the resale under letter (b) above occurs in the absence of a properly published prospectus, the purchaser of the Instruments – who has acted outside its professional or business purposes – may obtain a court order declaring the agreement for the purchase of the Instruments null and void and obliging the authorised dealer who sold the Instruments to pay damages incurred by the purchaser. Furthermore, the seller of the Instruments:

- (i) shall ensure the repayment of the Instruments' nominal value to the purchaser; and
- (ii) will be fined not less than one fourth of the overall counter value of the offer and not more than the double of that amount (unless such a counter value cannot be determined, in which case the fine would be not lower than EUR 100,000 and not higher than EUR 2,000,000),

and as a result of the levy of the financial sanctions referred to above, directors and officers of the seller are temporarily suspended from their office and are prevented from taking up or, as the case may be, are suspended from management and control positions in listed companies for a period of not less than two months and not more than three years.

### **The Netherlands:**

The Instruments may not be offered or sold, directly or indirectly, as part of any initial distribution or at any time thereafter, directly or indirectly, to any person other than to professional market parties (*professionele marktpartijen*) as defined in 1:107 paragraph 2 of the Dutch Financial Markets Supervision Act (*Wet op het Financieel Toezicht*), as amended, restated or re-enacted at any time, in The Netherlands.

In addition and without prejudice to the relevant restrictions set out directly above, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that Zero Coupon Instruments (as defined below) in definitive form of the Issuer may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the Issuer or a member firm of Euronext N.V. in full compliance with the *Dutch Savings Certificates Act (Wet inzake spaarbewijzen)* of 21 May 1985 (as amended) and its implementing regulations. No such mediation is required in respect of (i) the initial issue of such Zero Coupon Instruments to the first Holders thereof, (ii) the transfer and acceptance of Zero Coupon Instruments in definitive form between individuals not acting in the conduct of a business or profession, or (iii) the transfer and acceptance of such Zero Coupon Instruments within, from or into The Netherlands if all Zero Coupon Instruments (either in definitive form or as rights representing an interest in a Zero Coupon Instrument in global form) of any particular Series or Tranche are issued outside The Netherlands and are not distributed into The Netherlands in the course of initial distribution or immediately thereafter.

As used herein “**Zero Coupon Instruments**” are Instruments that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

In addition and without prejudice to the relevant restrictions set out directly above, each Dealer has represented, warranted and agreed, and each further Dealer appointed will be required to represent, warrant and agree, that as of 1 January 2012 it shall include in:

- (a) any offer of Instruments to the public in The Netherlands other than an offer:
  - (i) in respect of which a prospectus (and, as the case may be, any supplement or supplements if required) approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the “**AFM**”) (or, where

appropriate, by the competent authority in another Member State of the EEA or in the United Kingdom) has been made generally available; or

(ii) only to qualified investors as defined in the Prospectus Regulation; and

(b) any advertisement relating to such an offer, and any document in which the prospect of such offer is held out, that:

(A) no prospectus approved by the AFM has been or will be made generally available; and

(B) such offer is not supervised by the AFM,

in such manner as prescribed by the AFM from time to time.

For purposes of this provision the expression Prospectus Regulation shall have the meaning set out under the paragraph above headed "Prohibition of Sales to EEA and United Kingdom Retail Investors".

#### **New Zealand:**

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 and agrees it will not, directly or indirectly, offer, sell or deliver any Instruments, Receipts, Coupons and Talons in New Zealand or distribute any information memorandum (including this Base Prospectus), any Final Terms or other offering memorandum or any advertisement in relation to any offer of Instruments, Receipts, Coupons and Talons in New Zealand other than to "wholesale investors" as that term is defined in clauses 3(2)(a), (c) and (d) of Schedule 1 to the *Financial Markets Conduct Act 2013 of New Zealand* ("FMCA"), being a person who is:

(i) an "investment business";

(ii) "large"; or

(iii) a "government agency",

in each case as defined in Schedule 1 to the FMCA. For the avoidance of doubt, Instruments, Receipts, Coupons and Talons may not be offered to or acquired by, and any information memorandum (including this Base Prospectus), any Final Terms or other offering memorandum or any advertisement in relation to any offer of Instruments, Receipts, Coupons and Talons may not be distributed to, any "eligible investor" (as defined in clause 41 of Schedule 1 to the FMCA) or to any person who, under clause 3(2)(b) of Schedule 1 to the FMCA meets the investment activity criteria specified in clause 38 of that Schedule.

Each Dealer has represented and agreed that it has not offered or sold, and will not offer or sell, any Instruments, Receipts, Coupons and Talons to persons whom it reasonably believes to be persons to whom any amounts payable on the Instruments, Receipts, Coupons and Talons are or would be subject to New Zealand resident withholding tax, unless such persons:

- (1) certify that they have RWT-exempt status for New Zealand resident withholding tax purposes; and
- (2) provide a New Zealand tax file number to such Dealer (in which event the Dealer shall provide details thereof to the Issuer, the Registrar or any Paying Agent pursuant to the Issue and Paying Agency Agreement).

**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, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Instruments or caused the Instruments to be made the subject of an invitation for subscription or purchase and will not offer or sell any Instruments or cause the Instruments 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 Instruments, 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) pursuant to Section 274 of the Securities and Futures Act, (ii) to a relevant person (as defined in Section 275(2) of the Securities and Futures Act) pursuant to Section 275(1) of the Securities and Futures Act, or to any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Instruments may not be circulated or distributed, nor may the Instruments be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act) pursuant to Section 274 of the Securities and Futures Act, (ii) to a relevant person (as defined in Section 275(2) of the Securities and Futures Act) pursuant to Section 275(1) of the Securities and Futures Act, or to any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

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

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

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

- (a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the Securities and Futures Act;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law;
- (d) as specified in Section 276(7) of the Securities and Futures Act; or
- (e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

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

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

**The Kingdom of Spain:**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent or agree, that the Instruments may not be offered, sold or distributed, nor may any subsequent resale of Instrument be carried out in Spain, except in circumstances which do not constitute a public offer of securities in Spain within the meaning of the *Spanish Securities Market Law, of 28 July 1988 (Ley 24/1988, de 28 de julio, del Mercado de Valores)*, as amended and restated, and further developing legislation or without complying with all legal and regulatory requirements under Spanish securities laws.

**Taiwan:**

The Instruments may not be sold, offered or issued to Taiwan resident investors or in Taiwan unless they are made available, (i) outside Taiwan for purchase outside Taiwan by such investors and/or (ii) in Taiwan, (A) in the case of Instruments which are a “structured product” as defined in

the *Regulation Governing Offshore Structured Products of the Republic of China* (“**OSP Regulation**”) through bank trust departments, licensed securities brokers and/or insurance company investment linked insurance policies pursuant to the OSP Regulation or (B) in the case of Instruments which are not “structured products” under the OSP Regulation, through properly licensed Taiwan intermediaries (including the non-discretionary monetary trust of licensed banks in Taiwan acting as trustees) in such manner as complies with Taiwan law and regulation and/or (iii) in such other manner as may be permitted in accordance with applicable laws and regulations of Taiwan.

**General:**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Instruments or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer, WNZL and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Instruments or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material.

The Dealership Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, in applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in this section.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification will be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Tranche of Instruments) or (in any other case) in a supplement to this Base Prospectus.

## GENERAL INFORMATION

1. The admission of the Programme to listing on the Official List of the FCA and to trading on the London Stock Exchange's Regulated Market is expected to take effect on or about 22 December 2020. The price of the Instruments on the price list of the London Stock Exchange will be expressed as a percentage of their principal amount (exclusive of accrued interest). Any Tranche of Instruments intended to be listed on the Official List of the FCA and to be traded on the London Stock Exchange's Regulated Market will be admitted to listing and trading upon submission to the FCA and the London Stock Exchange of the relevant Final Terms and any other information required by the FCA and the London Stock Exchange, subject to the issue of the relevant Instruments. Prior to admission to trading, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day in London after the day of the transaction.
  
2. The Programme was authorised pursuant to resolutions of WNZL's Directors passed on 3 October 2006, 26 October 2006 and 11 August 2010 and resolutions of the Issuer's Directors passed on 15 September 2006, 26 October 2007, 15 August 2011 and 1 December 2015. The Issuer and WNZL have obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of its obligations under the Instruments.
  
3. The yield for any particular Series of Instruments will be specified in the applicable Final Terms and will be calculated on the basis of the compound annual rate of return if the relevant Instruments were to be purchased at the Issue Price on the Issue Date and held to maturity. Set out below is an example formula for the purposes of calculating the yield of Fixed Rate Instruments or Zero Coupon Instruments. The Final Terms in respect of any Floating Rate Instruments will not include any indication of yield.

$$\text{Issue Price} = \text{Rate of Interest} * \frac{1 - \left( \frac{1}{(1 + \text{Yield})^n} \right)}{\text{Yield}} + \left[ \text{Final Redemption Amount} * \frac{1}{(1 + \text{Yield})^n} \right]$$

Where:

**"Rate of Interest"** means the Rate of Interest expressed as a percentage as specified in the applicable Final Terms and adjusted according to the frequency (and in the case of Zero Coupon Instruments, means "0") i.e. for a semi-annual paying Note, the rate of interest is half the stated annualised rate of interest in the Final Terms;

**"Yield"** means the yield to maturity calculated on a frequency commensurate with the frequency of interest payments as specified in the applicable Final Terms (and in the case of Zero Coupon Instruments, means Accrual Yield as specified in the applicable Final Terms); and

**"n"** means the number of interest payments to maturity.

Set out below is a worked example illustrating how the yield on a Series of Fixed Rate Instruments could be calculated on the basis of the above formula. It is provided for



purposes of illustration only and should not be taken as an indication or prediction of the yield for any Series of Instruments; it is intended merely to illustrate the way in which the above formula could be applied.

Where:

N = 6

Rate of Interest = 3.875 per cent.

Issue Price = 99.392

Final Redemption Amount = 100

$$99.392 = 3.875 * \frac{1 - \left( \frac{1}{(1 + Yield)^6} \right)}{Yield} + \left[ 100 * \frac{1}{(1 + Yield)^6} \right]$$

Yield = 3.99 per cent. (calculated by iteration)

The yield specified in the applicable Final Terms in respect of a Series of Instruments will not be an indication of future yield.

4. The Instruments have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and the International Securities Identification Number and, if applicable, the Financial Instrument short name (“**FISN**”) and/or the Classification of Financial Instruments code (“**CFI**”) in relation to the Instruments of each Series will be specified in the Final Terms relating thereto. The Instruments have been accepted for clearance through the CMU Service. The CMU Service Instrument Number for each Series of Instruments intended to be cleared through the CMU Service will be specified in the relevant Final Terms relating thereto. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Instruments for clearance together with any further appropriate information.
5. Bearer Instruments (other than Temporary Global Instruments) and any Coupon appertaining thereto will bear a legend substantially to the following effect: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.” The sections referred to in such legend provide that a United States Person who holds a Bearer Instrument, Receipt or Coupon generally will not be allowed to deduct any loss realised on the sale, exchange or redemption of such Bearer Instrument, Receipt or Coupon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.
6. Settlement arrangements will be agreed between the Issuer, the relevant Dealer and the Fiscal Agent or, as the case may be, the Registrar in relation to each Tranche of Instruments.
7. The following legend must appear on every form of Instrument, Receipt, Coupon or Talon:

“IF THE HOLDER OF ANY PART HEREOF IS A RESIDENT OF NEW ZEALAND FOR TAX PURPOSES, OR OTHERWISE IS A PERSON THE PAYMENT OF INTEREST (AS DEFINED FOR NEW ZEALAND INCOME TAX PURPOSES) TO WHOM WILL BE SUBJECT TO NEW ZEALAND RESIDENT WITHHOLDING TAX, THEN A DEDUCTION FOR NEW ZEALAND RESIDENT WITHHOLDING TAX MAY BE MADE FROM ANY AMOUNT PAYABLE UNDER THIS [TEMPORARY/ PERMANENT GLOBAL DEFINITIVE/ REGISTERED/ INSTRUMENT/ COUPON/ TALON/ RECEIPT] WHICH IS SUBJECT TO NEW ZEALAND RESIDENT WITHHOLDING TAX UNLESS ANY SUCH HOLDER CERTIFIES THAT IT HAS RWT-EXEMPT STATUS FOR NEW ZEALAND RESIDENT WITHHOLDING TAX PURPOSES AND PROVIDES THE HOLDER’S NEW ZEALAND TAX FILE NUMBER.

ON PRESENTATION OF THIS [TEMPORARY/PERMANENT/ GLOBAL/ DEFINITIVE/REGISTERED/ INSTRUMENT/ COUPON/TALON/RECEIPT] FOR PAYMENT OR, IF APPLICABLE, UPON THE RECEIPT OF SUCH PAYMENT, THE HOLDER OF ANY PART HEREOF HEREBY CERTIFIES THAT IF IT IS A RESIDENT OF NEW ZEALAND FOR TAX PURPOSES OR OTHERWISE IS A PERSON THE PAYMENT OF INTEREST TO WHOM WILL BE SUBJECT TO NEW ZEALAND RESIDENT WITHHOLDING TAX, THAT IT HAS RWT-EXEMPT STATUS FOR NEW ZEALAND RESIDENT WITHHOLDING TAX PURPOSES.”

8. Where Instruments have a maturity of less than one year Instruments must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the FSMA by the Issuer.
9. There are no, nor during the 12 months before the date of this Base Prospectus have there been any, legal, arbitration or governmental proceedings (including any such proceedings which are pending or threatened) of which either the Issuer or WNZL is aware which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer or of WNZL and its controlled entities, taken as a whole.
10. Since 30 September 2020, there has been no material adverse change in the prospects of WNZL and its controlled entities (being the entities referred to on pages 176-177 (inclusive) of this Base Prospectus) taken as a whole.
11. Since 30 September 2020, there has been no significant change in the financial position or the financial performance of WNZL and its controlled entities (being the entities referred to on pages 176-177 (inclusive) of this Base Prospectus) taken as a whole.
12. Since 30 September 2020, there has been no material adverse change in the prospects of the Issuer.
13. Since 30 September 2020, there has been no significant change in the financial position or the financial performance of the Issuer.

14. PricewaterhouseCoopers New Zealand (“**PwC New Zealand**”) audited WNZL’s financial statements for the years ended 30 September 2019 and 30 September 2020. PwC New Zealand partners are members or affiliate members of the CA ANZ. PwC New Zealand and the signing partner are licensed under the Auditor Regulation Act 2011.
15. PwC New Zealand audited the Issuer’s financial statements for the years ended 30 September 2019 and 30 September 2020. PwC New Zealand partners are members or affiliate members of the CAANZ.
16. For so long as the Programme remains in effect or any Instruments are outstanding, copies of the following documents may be inspected during normal business hours at the Specified Office of the Fiscal Agent and Principal Registrar (or the other Specified Office(s) of the Paying Agent(s) in the United Kingdom) and at the registered head office of WNZL and at WSNZL’s office at Camomile Court, 23 Camomile Street, London EC3A 7LL, United Kingdom:
  - (a) the constitutional documents of the Issuer and WNZL;
  - (b) this Base Prospectus, together with any supplements thereto;
  - (c) the Issue and Paying Agency Agreement;
  - (d) the Deed of Covenant;
  - (e) the WNZL Deed of Guarantee;
  - (f) the most recently publicly available audited financial statements of the Issuer and WNZL; and
  - (g) any Final Terms relating to Instruments which are listed, traded and/or quoted on or by any competent listing authority, stock exchange and/or quotation system. (In the case of any Instruments which are not listed, traded and/or quoted on or by any competent listing authority, stock exchange and/or quotation system, copies of the relevant Final Terms will only be available for inspection by a Holder of or, as the case may be, a Relevant Account Holder (as defined in the Deed of Covenant) in respect of, such Instruments).
17. For the period of 12 months following the date of this Base Prospectus:
  - (i) the up to date constitutional documents of the Issuer can be inspected at <https://app.companiesoffice.govt.nz>; and
  - (ii) all reports, letters and other documents, valuations and statements prepared by any expert at the Issuer’s request, any part of which is included or referred to in the registration document can be inspected at <https://www.westpac.com.au/about-westpac/investorcentre/fixed-income/investors/>.
18. The Issuer may, on or after the date of this Base Prospectus, make applications for one or more further certificates of approval under Article 25 of the Prospectus Regulation to

be issued by the FCA to the competent authority in any one of the following member states of the European Union: Belgium; Germany; Ireland; Luxembourg; The Netherlands; Spain; Italy; France and Austria.

19. The price at which any Series of Instruments will be offered will be established by the Issuer and relevant Dealer(s) on or before the applicable Issue Date of the relevant Series of Instruments in accordance with prevailing market conditions and will be disclosed in the applicable Final Terms. The Issue Price of the Instruments of any Series may be less than, equal to or greater than the par value of the relevant Series of Instruments.

The amount of any expenses and/or taxes (if any) specifically charged to any subscriber or purchaser of the Instruments of any Series will be disclosed in the applicable Final Terms.

**REGISTERED AND HEAD OFFICE OF THE ISSUER AND WNZL**

**Westpac New Zealand Limited**

(as WNZL)

Westpac on Takutai Square  
16 Takutai Square  
Auckland 1010  
New Zealand

**Westpac Securities NZ Limited**

(as Issuer)

Camomile Court  
23 Camomile Street  
London EC3A 7LL  
United Kingdom

**DEALERS**

**Barclays Bank PLC**

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

**BNP Paribas**

16, boulevard des Italiens  
75009 Paris  
France

**Goldman Sachs International**

Plumtree Court  
25 Shoe Lane  
London EC4A 4AU  
United Kingdom

**J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

**Morgan Stanley & Co. International  
plc**

25 Cabot Square  
Canary Wharf  
London E14 4QA  
United Kingdom

**UBS AG London Branch**

5 Broadgate  
London EC2M 2QS  
United Kingdom

**Citigroup Global Markets Limited**

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

**Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**The Hongkong and Shanghai Banking Corporation Limited**

Level 17, HSBC Main Building  
1 Queen's Road Central  
Hong Kong

**Merrill Lynch International**

2 King Edward Street  
London EC1A 1HQ  
United Kingdom

**Nomura International plc**

1 Angel Lane  
London EC4R 3AB  
United Kingdom

**Westpac Banking Corporation**

Level 18, 275 Kent Street  
Sydney NSW 2000  
Australia

**AUDITORS TO THE ISSUER AND WNZL**

**PricewaterhouseCoopers**

PwC Tower, Level 27  
15 Customs Street West  
Auckland 1010  
New Zealand

**FISCAL AGENT and PRINCIPAL REGISTRAR**

**The Bank of New York Mellon, London Branch**

One Canada Square  
London E14 5AL  
United Kingdom

**FIRST ALTERNATIVE REGISTRAR**

**The Bank of New York Mellon S.A./N.V., Luxembourg Branch**

Vertigo Building, Polaris,  
2-4 rue Eugène Ruppert,  
L-2453 Luxembourg

**SECOND ALTERNATIVE REGISTRAR**

**The Bank of New York Mellon**

240 Greenwich Street  
New York, NY 10286  
United States of America

**LUXEMBOURG PAYING AGENT**

**The Bank of New York Mellon S.A./N.V., Luxembourg Branch**

Vertigo Building, Polaris,  
2-4 rue Eugène Ruppert,  
L-2453 Luxembourg

**CMU PAYING AGENT, CMU LODGING AGENT, CMU REGISTRAR**

**AND CMU TRANSFER AGENT**

**The Bank of New York Mellon, Hong Kong Branch**

26/F, Three Pacific Place  
1 Queen's Road East  
Hong Kong

**LEGAL ADVISERS**

To the Issuer and WNZL as to English law

**Slaughter and May**

One Bunhill Row  
London EC1Y 8YY  
United Kingdom

*To the Issuer and WNZL as to New Zealand law*

**Chapman Tripp**

10 Customhouse Quay

Wellington

New Zealand

*To the Dealers as to English law*

**Sidley Austin LLP**

70 St Mary Axe

London EC3A 8BE

United Kingdom