



BABCOCK INTERNATIONAL GROUP PLC

(incorporated as a public limited company in England and Wales)

£3,000,000,000

Euro Medium Term Note Programme

Under this £3,000,000,000 Euro Medium Term Note Programme (the "**Programme**"), Babcock International Group PLC (the "**Issuer**" or "**Babcock**") may from time to time issue notes (the "**Notes**") denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

This Base Prospectus (the "**Base Prospectus**") has been approved by the United Kingdom Financial Conduct Authority (the "**FCA**") in accordance with the rules in the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (the "**PRM**") made pursuant to its rule-making powers under the Public Offers and Admissions to Trading Regulations 2024 (SI 2024/105) (the "**POATRs**"). The FCA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the rules in the PRM. Approval by the FCA should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

Applications have been made for such Notes to be admitted during the period of twelve months after the date hereof to listing on the Official List of the FCA and to trading on the main market of the London Stock Exchange plc (the "**London Stock Exchange**"). The main market of the London Stock Exchange is a "UK regulated market" for the purposes of Regulation (EU) No 600/2014 as it forms part of United Kingdom ("**UK**") domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") ("**UK MIFIR**").

Babcock International Group PLC has been assigned a rating of BBB+ (stable outlook) by S&P Global Ratings UK Limited ("**S&P**"). S&P is established in the UK ("**UK**") and registered under Regulation (EC) No 1060/2009 as it forms part of UK domestic law by virtue of the EUWA (the "**UK CRA Regulation**") and is included in the list of credit rating agencies published by the FCA on its website (<https://www.fca.org.uk/firms/credit-rating-agencies>) in accordance with the UK CRA Regulation. S&P Global Ratings Europe Limited currently endorses credit ratings issued by S&P for regulatory purposes in the European Economic Area (the "**EEA**") in accordance with Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**"). S&P Global Ratings Europe Limited is established in Ireland and has been registered under the EU CRA Regulation and is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (<https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>) in accordance with the EU CRA Regulation. Tranches of Notes to be issued under the Programme will be rated or unrated. Each of Fitch Ratings Limited ("**Fitch**") and Moody's Investors Service Ltd ("**Moody's**") may in the future rate Notes issued under the Programme. Each of Fitch and Moody's is established in the United Kingdom and registered under the UK CRA Regulation. Where a Tranche (as defined herein) of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Issuer.

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

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

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) except in certain transactions exempt from the registration requirements of the Securities Act.

ARRANGER

NATWEST

DEALERS

ANZ

BNP PARIBAS

HSBC

LLOYDS BANK CORPORATE MARKETS

SANTANDER CORPORATE &

INVESTMENT BANKING

BARCLAYS

CAIXABANK

J.P. MORGAN

NATWEST

SEB

CONTENTS

	Page
IMPORTANT NOTICES.....	2
OVERVIEW	7
RISK FACTORS	12
INFORMATION INCORPORATED BY REFERENCE	34
FINAL TERMS AND DRAWDOWN PROSPECTUSES.....	37
ALTERNATIVE PERFORMANCE MEASURES	38
FORMS OF THE NOTES.....	39
TERMS AND CONDITIONS OF THE NOTES	45
FORM OF FINAL TERMS	91
USE OF PROCEEDS	101
INFORMATION ON THE BABCOCK GROUP	102
TAXATION.....	109
SUBSCRIPTION AND SALE.....	111
GENERAL INFORMATION	114

IMPORTANT NOTICES

This Base Prospectus comprises a base prospectus in relation to the Issuer for the purposes of the PRM.

Responsibility for this Base Prospectus

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms (as defined below) for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer, the information contained in this Base Prospectus is in accordance with the facts and the Base Prospectus makes no omission likely to affect its import.

Final Terms/Drawdown Prospectus

Each Tranche of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" (the "**Conditions**") as completed to the extent described by a document specific to such Tranche called final terms (the "**Final Terms**") or, as the case may be, as supplemented, amended and/or replaced to the extent described in a separate prospectus specific to such Tranche (the "**Drawdown Prospectus**") as described under "*Final Terms and Drawdown Prospectuses*" below.

Other relevant information

This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the relevant Final Terms. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

The Issuer has confirmed to the Arranger and the Dealers named under "*Subscription and Sale*" below that this Base Prospectus contains all information which is (in the context of the Programme, the issue, offering and sale of the Notes) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue, offering and sale of the Notes) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

Unauthorised information

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

Save for the Issuer, no other party has separately verified the information contained in the Base Prospectus, or makes any representation, warranty or undertaking, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information contained or incorporated in this Base Prospectus or any other information provided by the Issuer in connection with the Programme or accepts any responsibility for any actions or omissions of the Issuer or any other person in connection with the Programme. Each of the Arranger, each Dealer and each Agent accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Base Prospectus or any such statement. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been

no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Restrictions on distribution

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any relevant Dealer or any parent company or affiliate of such Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the relevant Dealer or the relevant parent company or affiliate of such Dealer on behalf of the Issuer in such jurisdiction. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer, the Arranger and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*".

In particular, the Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act.

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

Certain definitions

In this Base Prospectus, unless otherwise specified, references to "**EUR**" or "**euro**" or "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended, references to "**Sterling**" or "**£**" are to pounds sterling, the lawful currency of the United Kingdom, references to "**AUD\$**" are to the lawful currency of the Commonwealth of Australia and references to "**US\$**" are to the lawful currency of the United States of America and references to a "**Member State**" are references to a Member State of the EEA.

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

Ratings

Tranches of Notes issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) described above or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be (1) issued by a credit rating agency ("**CRA**") established in the UK and registered under the UK CRA Regulation, but endorsed by a CRA which is established in the EEA and registered under the EU CRA Regulation; (2) issued by a CRA which is established in the EEA and registered under the EU CRA Regulation, but endorsed by a CRA which is established in the UK and registered under the UK CRA Regulation; (3) issued

by a CRA which is not established in the EEA or the UK, but endorsed by a CRA which is established in the UK and/or the EEA and registered under the UK CRA Regulation and/or EU CRA Regulation, as the case may be; or (4) issued by a CRA which is not established in the EEA or the UK but which is certified under the UK CRA Regulation or EU CRA Regulation, as the case may be, will be disclosed in the Final Terms.

Notice to investors

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets;
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and
- (vi) understands the accounting, legal, regulatory and tax implications of a purchase, holding and disposal of an interest in the Notes.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

Unless the Final Terms in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where a 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 "**EU PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

Unless the Final Terms in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a "**retail investor**" means a person who is not a professional client as defined in point (8) of Article 2(1) of UK MiFIR. Consequently no key information document required by Regulation (EU) No. 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the

Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

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

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

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET

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

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

UK BENCHMARKS REGULATION

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) No. 2016/1011 as it forms part of UK domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**"). If any such reference rate does constitute such a benchmark, the Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the FCA pursuant to Article 36 (*Register of administrators and benchmarks*) of the UK Benchmarks Regulation. Transitional provisions in the UK Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the Final Terms. The registration status of any administrator under the UK Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms to reflect any change in the registration status of the administrator.

Notification under Section 309B of the Securities and Futures Act 2001 of Singapore Product Classification (the "SFA")

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA) that the Notes issued or to be issued under

this Programme shall be prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore ("MAS") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

STABILISATION

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

OVERVIEW

The following information is derived from, and should be read in conjunction with, the full text of this Base Prospectus and the information incorporated by reference herein. You should read the whole document and the information incorporated by reference herein and not just rely on the overview information, which should be read as an introduction to this Base Prospectus. Any decision to invest in the Notes should be based on consideration of this Base Prospectus and the information incorporated by reference herein as a whole.

This overview constitutes a general description of the Programme for the purposes of PRM 2.3.

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

Issuer:	Babcock International Group PLC
Size:	Up to £3,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Risk Factors:	Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under "Risk Factors" below.
Arranger:	NatWest Markets Plc
Dealers:	Australia and New Zealand Banking Group Limited (ABN 11 005 357 522) Barclays Bank PLC Banco Santander, S.A. BNP Paribas CaixaBank, S.A. HSBC Bank plc J.P. Morgan Securities plc Lloyds Bank Corporate Markets plc NatWest Markets Plc Skandinaviska Enskilda Banken AB (publ) and any other Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes.
Trustee:	The Law Debenture Trust Corporation p.l.c.
Issuing and Paying Agent:	HSBC Bank plc
Registrar:	HSBC Bank plc
Paying Agents and Transfer Agents:	HSBC Bank plc

Final Terms or Drawdown Prospectus:	Notes issued under the Programme may be issued either (1) pursuant to this Base Prospectus and relevant Final Terms or (2) pursuant to a Drawdown Prospectus. The terms and conditions applicable to any particular Tranche of Notes will be the Terms and Conditions of the Notes as completed to the extent described in the relevant Final Terms or, as the case may be, as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. Any Drawdown Prospectus shall be subject to the review and approval of the FCA as meeting the standards of completeness, comprehensibility and consistency imposed by the rules in the PRM.
Listing and Trading:	Applications have been made for Notes to be admitted during the period of twelve months after the date hereof to listing on the Official List of the FCA and to trading on the main market of the London Stock Exchange.
Clearing Systems:	Euroclear Bank SA/NV (" Euroclear ") and/or Clearstream Banking S.A. (" Clearstream, Luxembourg ") and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Issuing and Paying Agent, the Trustee and the relevant Dealer(s).
Method of Issue:	The Notes will be issued in Series. Each Series may be issued in one or more Tranches on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the Final Terms.
Forms of Notes:	Notes may be issued in bearer form or in registered form. Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Final Terms. Each Classic Global Note, as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each New Global Note, as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached. Each Tranche of Registered Notes will be in the form of either Individual Note Certificates or a Global Registered Note, in each case as specified in the relevant Final Terms. Each Global Registered Note will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear

and/or Clearstream, Luxembourg and/or any other relevant clearing system and registered in the name of a nominee for such depositary and will be exchangeable for Individual Note Certificates in accordance with its terms.

Currencies: Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealer(s).

Status of the Notes: The Notes will constitute unsubordinated and (subject as referred to in "*Negative Pledge*" below) unsecured obligations of the Issuer as described in "*Terms and Conditions of the Notes – Status*".

Issue Price: Notes may be issued at any price on a fully paid basis, as specified in the relevant Final Terms. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

Maturities: Any maturity, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the UK or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the UK, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the "**FSMA**") by the Issuer.

Redemption: Notes may be redeemable at par or such other Redemption Amount as may be specified in the relevant Final Terms.

Optional Redemption: The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) (as described in Condition 9(c) (*Redemption and Purchase – Redemption at the option of the Issuer*)), and/or the Noteholders (as described in Condition 9(e) (*Redemption and Purchase – Redemption at the option of the Noteholders*)), and if so the terms applicable to such redemption.

Redemption or Purchase on Change of Control: The Notes of a Noteholder may be redeemed or purchased prior to their stated maturity at the option of such Noteholder on a change of control (as described in Condition 9(f) (*Redemption and Purchase – Redemption or Purchase on Change of Control*)), to the extent specified in the relevant Final Terms.

Tax Redemption:	Except as described in " <i>Optional Redemption</i> " and " <i>Redemption or Purchase on Change of Control</i> " above, early redemption will only be permitted for tax reasons as described in Condition 9(b) (<i>Redemption and Purchase – Redemption for tax reasons</i>).
Benchmark Discontinuation:	Other than for Floating Rate Notes where the Reference Rate is specified as "SOFR" in the relevant Final Terms, if a Benchmark Event occurs, such that any rate of interest (or any component part thereof) cannot be determined by reference to the Original Reference Rate (as defined in the Conditions), then such Original Reference Rate may be substituted (subject to certain conditions) with a successor or alternative benchmark or rate (with consequent amendment to the terms of such Series of Notes and, potentially, the application of an adjustment spread (which may be positive, negative or zero)) as described in Condition 7(d) (<i>Floating Rate Note Provisions – Benchmark Discontinuation</i>).
	In respect of Floating Rate Notes where the Reference Rate is specified as "SOFR" in the relevant Final Terms, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, then the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes and the Issuer will have the right (subject to certain conditions but without any requirement for the consent or approval of the Noteholders or Couponholders) to make Benchmark Replacement Conforming Changes from time to time, as described in Condition 7(c)(iii)(C) (<i>Floating Rate Note Provisions – Screen Rate Determination: Overnight Rate - Compounded Daily SOFR - Non-Index Determination</i>).
Interest:	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series. The terms and conditions also provide for fallbacks in the event that one or more benchmark rates used to determine the interest payable on the Notes is discontinued.
Denominations:	No Notes may be issued under the Programme with a minimum denomination of less than EUR 100,000 (or its equivalent in any other currency). Subject thereto, Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Negative Pledge:	The Notes will have the benefit of a negative pledge as described in Condition 5 (<i>Negative Pledge</i>).
Cross Acceleration:	The Notes will have the benefit of a cross acceleration as described in Condition 13 (<i>Events of Default</i>).
Taxation:	All payments in respect of Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of withholding taxes of any Tax Jurisdiction (as defined in the Conditions) unless the withholding is required by law. In that event, the Issuer will (subject as provided in Condition 12 (<i>Taxation</i>)) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such

Notes had no such withholding been required, all as described in "*Terms and Conditions of the Notes – Taxation*".

Green, social, sustainable or sustainability linked securities:

None of the Notes are intended to be marketed as green, social, sustainable or sustainability-linked securities.

Governing Law:

The Notes and all non-contractual obligations arising out of or in connection with the Notes are governed by English law.

Selling Restrictions:

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

RISK FACTORS

Prospective investors should read the entire Base Prospectus. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section.

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

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below. According to the Issuer's assessment, the factors described below in this "Risk Factors" section represent the material/principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered material/principal risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER NOTES ISSUED UNDER THE PROGRAMME

1. Risks related to the Babcock Group's business activities and industry

1.1 *The Babcock Group executes large contracts and complex programmes, which often require it to price for the long term and for risk transfer and can include fixed prices*

The business model of Babcock and its subsidiary undertakings from time to time (together, the "**Babcock Group**") revolves around securing and executing long-term, high-value contracts for complex, integrated programmes. These contracts often involve outcome-based agreements, and the Babcock Group's medium risk appetite is rewarded with appropriate margins.

Contract terms from the Babcock Group's customer base can be stringent, with strict conditions and clauses which must be adhered to throughout the life of the contract. Underestimating or under-pricing risk exposure, unforeseen costs or supply chain disruptions can impact contract delivery costs. The Babcock Group closely monitors contractual performance at various levels of the organisation, identifying high-risk contracts for special attention and implementing remediation plans when performance falls short. Where there is a failure to meet the performance criteria of a contract that could result in:

- the cancellation of a contract, claims for loss, or compensation arrangements under the contract being triggered;
- reputational damage; and
- an adverse effect on the ability to win any future rebids for work.

Fixed-price contracts can exacerbate this risk, particularly if actual costs exceed projections due to factors like inflation or extended programme durations. Long-term and fixed price contracts expose the Babcock Group to the risks of:

- increases in costs attributable to such contracts beyond those anticipated and provided for within such contracts at the time they are entered into;
- being bound to perform an onerous contract as a result of inaccurate pricing and forecasting; and

- increases in costs that are not met through corresponding attributable increases in revenues from such contracts,

unless and to the extent that such increases are taken into account in periodic benchmarking and/or market testing if included in such contracts.

Such increased costs, lower returns and economic, reputational and other impacts could materially adversely affect the business, financial condition, results of operations and prospects of the Babcock Group.

The Babcock Group's projects and extensive supply chains expose the Babcock Group to risks such as shortages in raw materials or electronic components, which can lead to increased costs or missed deadlines under the Babcock Group's contracts. Furthermore, long-term contracts often undergo changes in scope or emergent work, requiring diligent change management to avoid additional costs and maximise contract opportunities. The Babcock Group mostly operates in, or exports to, stable and peaceful democracies, closely allied with the UK through NATO or other structures. Nevertheless, the international geopolitical situation is constantly evolving, requiring ongoing monitoring of developments globally, working with governments and independent advisors. In the short to medium term, there are many factors causing volatility within domestic and global markets. These include, but are not limited to, the ongoing wars in Ukraine and the Middle East, growing instability in the Euro-Atlantic and Indo-Pacific, and changes to the foreign and trade policy of the US Administration. This volatility could increase commodity prices, disrupt supply chains and increase cyber threats from state actors. International conflicts and geopolitical changes are driving increased management of supply chain risks which, if left unmanaged, could significantly influence the Babcock Group's contract and performance risks in defence. Such conflicts often escalate costs due to heightened security measures, leading to uncertainties in project planning and execution. If such risks materialise, they can escalate the Babcock Group's delivery costs, trigger penalties or damage its reputation, jeopardising current and future contracts which could have an adverse effect on the Babcock Group's business, results of operations, financial condition and prospects.

On a substantial number of contracts, the Babcock Group employs sub-contractors or is a member of a consortium. The Babcock Group is, therefore, reliant not only on the performance of its own employees but also relies on the performance of its sub-contractors and consortium partners and, in particular, that they fulfil their obligations in a timely and satisfactory manner and in full compliance with applicable terms and conditions. Sub-contractors may face challenges in interpreting and fulfilling contractual obligations, in particular to the extent there are any legal uncertainties. If any of these sub-contractors fails to meet its obligations, the Babcock Group may not have readily available alternatives and may be unable to complete in a timely or satisfactory manner its contractual obligations to its customers which could result in additional costs, termination of contracts and damage to the Babcock Group's reputation and its relationship with its customers. Any of these events could have an adverse impact on the Babcock Group's business, results of operations, financial condition and prospects.

1.2. *The Babcock Group relies on winning and retaining large contracts in both existing and new markets, often characterised by a relatively small number of major customers, which are owned or controlled by local or national governments*

The Babcock Group derives a substantial proportion of its revenue from contracts with a relatively limited number of major customers, particularly those government-owned or with government backing that have significant bargaining power and can exert pressure to change, amend or even cancel programmes and contracts. The Babcock Group expects that such customers and contracts will continue to account for a significant proportion of the Babcock Group's total revenue for the foreseeable future meaning political and public spending decisions may have a significant impact on its contracts and pipeline (for example, by way of changes to the UK Government's national security and international policy objectives, which control the budget of the UK Ministry of Defence (the "MOD")). The Babcock Group pursues ongoing dialogue with key customers to

understand their requirements, objectives and constraints, so that it can develop the necessary customer intimacy and remain as aligned to them as possible.

Whilst changes in customer policy or budgets can potentially offer more opportunities for the Babcock Group, they can also present risks in terms of spending, which may include:

- reductions in the number, frequency, size, scope, profitability and/or duration of future contract opportunities;
- in the case of existing contracts, early termination, non-extension or non-renewal or lower contract spend than anticipated and pressure to renegotiate contract terms in the customer's favour;
- favouring small or medium-sized suppliers or adopting a more transactional rather than a cooperative, partnering approach to customer/supplier relationships;
- favouring overseas competitors, potentially benefitting from lower production costs and state ownership or subsidies; and
- imposing new or extra eligibility requirements as a condition of doing business with the customer that the Babcock Group may not be able readily to comply with, or that might involve significant extra costs, thereby affecting the profitability of doing business with them.

All defence contracts have regulations covering contract terms and pricing. A number of the Babcock Group's contracts with the MOD are subject to the Single Source Contract Regulations, which the Single Source Regulations Office (the "**SSRO**") administers. The SSRO sets the baseline profit rate for single source contracts let by the MOD on an annual basis. These regulations and their implementation are subject to review by the UK Government, which could lead to lower returns for the industry, including the Babcock Group.

The Babcock Group has a clear business strategy to maintain a substantial bid pipeline, both in the UK and, increasingly, internationally. The Babcock Group bids for contracts which it considers are aligned to its strategy and provide a realistic chance of success due to the Babcock Group's market offering, customer intimacy and value proposition. As appropriate, the Babcock Group invests in the development of capabilities, innovation and people, to ensure its products and services are competitive, and meet global market and customer requirements. The Babcock Group may also face challenges in securing contracts in new markets. These include the risk of failing to ensure the required level of market understanding or customer intimacy to anticipate and shape future market requirements; failure to align approaches with customer expectations; and a preference for, or state funding of, domestic suppliers. The delivery of contracts may be further challenged by commercial, legal and licensing issues which have the potential to impact, among other things, bidding success, operations, and recruiting.

The realisation of the pipeline of opportunities for new bids and rebidding for existing contracts can involve a lengthy and costly bidding process. Bid and rebid success rates determine how much of the pipeline of opportunities is realised and turned into profitable business and how much existing business is retained. Bidding for large and complex contracts is time consuming (it can take many months or even run into years) and is expensive, as can be mobilising on new contract wins. Also, by their nature, large, longer-term contracts are irregular and relatively infrequent in coming to market. The inability to secure a major new contract could represent a significant missed opportunity for growth, and losing rebids on existing contracts could lead to loss of significant existing revenue and profit stream. If the Babcock Group fails to realise pipeline opportunities, particularly having invested time and money in the bidding process, there could be a material adverse effect on the business, financial condition, results of operations and prospects of the Babcock Group. The Babcock Group may also experience a lack of success in exporting its business model outside the UK, which may materially impact its growth and strategic prospects.

The Babcock Group may also face competition in the bidding process either from existing competitors or new market entrants, and expense, delay or loss of awarded contracts if Babcock Group's competitors protest or challenge awards of contracts to them. Unsuccessful major bids or rebids could involve significant wasted bid costs and may impact on the strategic objectives of the Babcock Group. The Babcock Group operates in competitive markets and the Babcock Group's competitors may have more extensive or more specialised support capabilities than the Babcock Group in some areas. If the Babcock Group is unable to continue to compete successfully against current or future competitors (including, in respect of outsourcing of services by customers, in-house alternatives), the Babcock Group may experience declines in revenues and market share which could have an adverse effect on the Babcock Group's business, results of operations, financial condition and prospects.

The Babcock Group maintains consistent engagement with its current and prospective customers in its markets. Nearly all of the Babcock Group's customers are governments in established, stable democracies. They face regular elections, which often lead to changes in leadership, policy and spending priorities. In the Babcock Group's principal markets, it uses in-house and external advisors to monitor developments from across the political spectrum. Instability in the Euro-Atlantic region, the Indo-Pacific and the Middle East will continue to create volatility within domestic and global markets, and the Babcock Group keeps abreast of developments globally, working with governments and independent advisors. When seeking business in new territories, the Babcock Group's due diligence includes country risk reports and a formal approval process requiring board-level authorisation to proceed.

Factors which may affect existing and new markets equally, some of which have been evident in recent years, include:

- unforeseen regional or global economic developments;
- international conflict and subsequent impacts on global and regional economy, trade and defence requirements;
- changes in governments resulting in changing political priorities, geostrategic relationships and defence posture;
- change in competitor landscapes; and
- the changing nature of warfare, which could see a reprioritisation of budgets away from traditional large, complex platforms to smaller, uncrewed platforms and cyber.

The loss, expiration, suspension, cancellation or termination of any of the Babcock Group's contracts for any reason or a failure to realise a pipeline of successful new bids and rebids for existing contracts could have a material adverse effect on the Babcock Group's business, results of operations, financial condition and prospects. Furthermore, a decrease in the amount of business undertaken from major customers, for any reason, including a change in attitudes to the outsourcing of services generally or in a particular sector due to the poor performance or behaviour of other service providers or incidents in which the Babcock Group was not involved, could result in a material adverse effect on the Babcock Group's business, financial condition or operating or financial results.

1.3. *The Babcock Group is required to deliver secure IT and other information assurance systems to maintain the confidentiality of sensitive information*

The ability of the Babcock Group to deliver secure IT and other information assurance systems designed to protect personal data or customer or company confidential information is a key factor for customers. The nature of the Babcock Group's operations and the requirement to hold and process sensitive and confidential information on behalf of its customers makes the Babcock Group a target for cyber attackers.

The Babcock Group seeks to assure data security through a multi-layered approach that provides a hardened environment, including robust physical security arrangements and data resilience strategies. There are formal security and information assurance governance structures in place to oversee and manage IT, cyber and information security-related risks. The Babcock Group employs specialists in threat intelligence and conducts comprehensive internal and external testing and remediation of potential vulnerabilities. To maintain organisational awareness around cyber security, the Babcock Group provides cyber security education to its staff, which includes awareness of social engineering and insider threat. The Babcock Group maintains business continuity plans that cover a range of scenarios (including loss of IT availability) and regularly tests the plans that relate to IT and cyber security. Despite these controls designed to protect such information, there can be no guarantee that security measures will be sufficient to prevent security attacks being successful in their attempts to breach or compromise IT systems and misappropriate sensitive and confidential information or otherwise cause destructive or disruptive harm to the Babcock Group. The Babcock Group may be seen as a target for attack by 'state actors' from overseas countries because of the nature of the Babcock Group's activities for its government customers.

The Babcock Group continues to build on the historical investments made to enhance its IT security, and work has also been undertaken in boosting the security awareness to further increase its cyber resilience. Work on the next-generation security platform is underway and this will be correlated directly to future business needs for secure collaboration and sharing of resource and knowledge, in support of the international growth strategy. Failure to effectively invest in the Babcock Group's IT infrastructure, for example in replacing legacy systems or introducing new technologies, could create vulnerabilities that may lead to a breach.

The risk of loss of information or data by other means (such as physical loss) is also a risk that the Babcock Group cannot entirely eliminate. Significant data breaches or losses could lead to litigation and fines for breach of applicable regulations such as data protection laws.

Any breach or compromise of the Babcock Group's information security or loss of information or data could lead to loss of reputation, loss of business advantage, disruptions in business operations or inability to meet contractual obligations and have an adverse effect on the Babcock Group's ability to win future contracts and as a result its business, results of operations, financial condition and prospects.

1.4. Disruptions to supply chain management arising from macroeconomic, geopolitical, environmental and cybersecurity risks

The Babcock Group is exposed to risks arising from the performance, resilience and reliability of its supply chain. It depends on a broad network of suppliers, including, in certain cases, single-source or sole-source providers, for specialist, made-to-order and long-lead time components. In addition, the Babcock Group is generally subject to specific procurement requirements, which may, in effect, limit the suppliers which the Babcock Group may utilise. At times of high demand, these suppliers could experience backlogs in their manufacturing schedules, and some components may be in limited supply from time to time. Any disruption within this network may adversely affect the Babcock Group's ability to deliver programmes and meet contractual commitments. Effective controls are essential for reducing strategic procurement risks, ensuring compliance, safeguarding assets and enhancing operational efficiency. The Babcock Group's identified risks are managed through its supply chain management risk register and governance process.

Global supply chains remain vulnerable to a range of external pressures, including inflation, geopolitical tensions, natural disasters, industrial action, cybersecurity threats and parts obsolescence, all of which can affect infrastructure, industry growth, productivity, transportation and operational stability, thereby jeopardising the ability of the Babcock Group to secure supplies within agreed lead times, potentially resulting in missed delivery schedules.

Persistent inflation poses risks to industry growth and productivity. Tight labour markets with ongoing wage inflation, fluctuating energy prices, constrained global supply chains and heightened demand contribute to economic uncertainties. Global tariff adjustments and perceived "trade wars" are increasing input costs and adding complexity to cross-border procurement. These conditions can also stress suppliers, impacting their ability to meet contractual obligations and maintain operational stability. To manage the impact of market volatility, inflation and global tariff charges, the Babcock Group aims to negotiate flexible contract terms, monitor supplier performance and strengthen its supplier relationships. The Babcock Group conducts ongoing surveillance of financial alerts within the supply chain using risk resilience and credit monitoring tools.

Ongoing global conflicts and rising tensions in regions such as the Middle East, Eastern Europe and the Taiwan Strait pose significant risks to the global economic outlook. The evolving landscape of global trade, marked by reciprocal tariffs and trade wars, adds further uncertainty to international relations. The United States' influence on the geopolitical landscape remains uncertain as it navigates these complex challenges. These disruptions impact oil markets and commodities, potentially introducing additional inflationary pressures.

Cybersecurity threats present notable risks to supply chains, as increasingly sophisticated attacks, such as ransomware and AI-powered cybercrime can disrupt operations and compromise sensitive data. Weak security protocols, reliance on sub-tier suppliers and outdated technologies can also increase these vulnerabilities.

The maintenance and support of older customer assets depend on the availability of specialist parts. Increasing parts obsolescence due to high costs or extended lead times, impact the supplier's ability to ensure timely repairs and continued functionality. In some circumstances, increased supply chain costs may not be capable of being passed on to customers, which could adversely affect margins and financial performance achieved by the Babcock Group.

The Babcock Group monitors supplier business alerts and geopolitical developments using risk resilience tools, and conducts supplier information management, due diligence and performance monitoring, with the objective of identifying and managing its supply chain through its supply chain management risk register and governance processes. A failure to effectively identify and manage such risks could adversely impact the ability of the Babcock Group to meet its obligations potentially resulting in customer claims and reputational damage, which could materially adversely affect its business, results of operations, financial condition and prospects.

1.5. *The Babcock Group provides critical support to governments and commercial customers, requiring a high level of resilience in operational systems and processes*

The Babcock Group operates in an increasingly volatile, uncertain and complex environment, where a diverse range of internal and external threats could disrupt its business, affecting its ability to operate safely, effectively and to the high standards expected by its customers, regulators and partners. Ineffective operational resilience arrangements can undermine safety, financial stability and regulatory compliance, as well as cause reputational damage. Given the critical nature of the Babcock Group's operations, it seeks to eliminate risks where possible and applies stringent controls to mitigate remaining risks to as low as reasonably practicable.

The Babcock Group's operations rely on key dependencies, including people, infrastructure, utilities, information, technology and supply chain provisions. In highly regulated domains, approvals to operate are critical dependencies, requiring robust resilience measures to maintain compliance. The Babcock Group maintains and continues to enhance its operational resilience programme and has developed a new operational resilience strategy and framework to provide greater consistency, adaptability and capability across the organisation. The Babcock Group maintains established resilience disciplines – including Business Continuity, Emergency Response, and Crisis

Management – to protect its operations. Operational resilience plans and procedures are tested through regular exercises and drills, conducted in collaboration with key stakeholders and relevant authorities.

In the event of a safety or operational incident, the Babcock Group's ability to respond and recover effectively is vital to minimising operational, financial and reputational consequences. Ineffective response and recovery measures may prolong business disruption, leading to increased costs, regulatory scrutiny and potential penalties.

A failure of the Babcock Group to maintain and enforce a robust operational resilience programme or otherwise implement sufficient resilience arrangements could result in severe operational, financial and regulatory repercussions. Business interruptions can lead to significant revenue losses, regulatory non-compliance and reputational harm impacting the Babcock Group's long-term brand value, market position and future business opportunities, which could adversely affect its business, results of operations, financial condition and prospects.

1.6. *The operations of the Babcock Group carry significant health and safety and environmental risks*

Many parts of the Babcock Group's business involves colleagues and contractors working in potentially hazardous environments, including work with hazardous materials, high-energy systems or in challenging locations. Furthermore, many of the activities that the Babcock Group undertakes are in high-hazard industries, such as aerial emergency services and heavy industrial production including shipbuilding. These activities have the potential to cause harm to people, communities, the environment and those otherwise affected by the Babcock Group's operations.

The Babcock Group has moral, regulatory and legal obligations to prevent harm to people and the planet and there could be significant impacts if it fails to reach the standards and mandated requirements to adequately mitigate safety, health and environmental risks. Accidents and debilitating health conditions can have major, long-term impacts on the lives of those directly affected, and on their families, friends, colleagues and community. Releases of harmful chemicals and emissions can have significant effects on the local environments and wildlife in areas in which the Babcock Group operates. The Babcock Group may face criminal and civil prosecution, which could result in substantial penalties and fines (some of which are uninsurable); and there may also be serious reputational damage with both the public and customers (whether justified or not). The Babcock Group could be prevented from operating due to colleagues being unavailable for work, workplaces being unusable, investigations being conducted, or if regulatory approval, permits and certification are withdrawn. These could potentially lead to contractual penalties due to loss of productivity or inability to deliver the contract, which could lead to a loss of business or future opportunities.

There are particular risks associated with the servicing, maintenance and decommissioning of nuclear power stations and nuclear-powered submarines and the handling of nuclear weapons. These include accidents, the breakdown or failure of equipment or processes or human performance, including the Babcock Group's safety controls, and other catastrophic events, such as fire and flood, that could result in the dispersal of radioactive material over large areas, thereby causing injury or loss of life and extensive property or environmental damage. Certain of these events, including those arising as a result of third-party acts, such as acts of terrorism or war, are not within the Babcock Group's control. The liabilities which the Babcock Group may incur, and interruptions in the operation of the nuclear power stations or naval bases caused by these events or associated with any of the radioactive or hazardous materials involved, could significantly reduce the Babcock Group's revenues, increase the Babcock Group's expenses, cause significant reputational damage and can give rise to significant civil and criminal liabilities, substantial remediation and clean-up costs, and prolonged operational shutdowns. Proceeds of insurance or contractual indemnities may not be adequate to cover all liabilities incurred, lost revenue or increased expenses. Analogous incidents occurring at nuclear power stations or in relation to nuclear powered submarines or

nuclear weapons caused by third parties unconnected to the Babcock Group may result in similar losses regardless of the Babcock Group having no control or influence over such incidents (see "*Information on the Babcock Group*" for further information on the UK's nuclear regulatory regime and limitations on the Babcock Group's nuclear liability).

Health, safety or environmental incidents generally may also expose the Babcock Group to criminal and civil prosecution, potentially resulting in substantial penalties and fines, some of which may be uninsurable. Such events could have a material adverse impact on the Babcock Group's reputation, customer confidence and stakeholder trust, regardless of whether it is ultimately found to be at fault. Such incidents could also result in increased insurance premiums, reduced insurance coverage or the withdrawal of insurance, which could further increase the Babcock Group's exposure to loss.

Operational disruption may arise if colleagues are unable to work, workplaces being rendered unusable, investigations being conducted, or if regulatory approval, permits and certification are withdrawn. These disruptions may lead to contractual penalties due to loss of productivity or inability to deliver the contract, and thereby a loss of business or future opportunities.

These impacts could occur if the Babcock Group causes or contributes to an incident due to a failing on its part; or it is found that the Babcock Group has failed to meet the requirements to adequately mitigate these risks, even in the absence of an actual incident. Contributing factors could include failing to prevent critical equipment failure, inadequate information and communication of risks, poor training and supervision, or the inadequate management of change and learning from previous events.

Any such incidents, liabilities or operational disruptions may result in significant unplanned costs, reduced revenues, contractual penalties and higher insurance expenses, each of which could materially adversely affect the Babcock Group's business, financial performance, financial condition and prospects.

1.7. *Climate and environmental sustainability*

The Babcock Group is exposed to climate-related risks that may materialise and cause a wide range of adverse impacts to the Babcock Group over the short, medium and long term. The Babcock Group is also regulated by increasing levels of national and international climate-related legislation, as well as strict disclosure requirements pertaining to key sustainability themes such as environmental protection, employee safety, community engagement, commercial integrity and responsible procurement. These climate-related risks could potentially give rise to financial, commercial, reputational and operational impacts, the severity of which will depend on the prevailing climate scenario and a range of local and macroeconomic factors. The Babcock Group categorises climate and environmental sustainability risks into physical risks and transition risks. Physical risks arise from the direct impacts of climate change and may take the form of both "shocks" and "stresses":

- Shocks generally refer to short-term impacts from extreme weather events such as extreme heat, flooding, wildfires, hurricanes, which may disrupt operations, damage facilities, impair access to sites or affect workforce availability; and
- Stresses generally refer to longer-term climate trends such as sea level rise, global rise in temperatures and biodiversity loss which may affect asset integrity, site suitability, operational efficiency and long-term business planning.

Transition risks arise from the transition to a low-carbon economy, including policy and legal changes, technological advancements and market movements to address mitigation and adaptation requirements. Transition risks are commonly broken down into four aspects:

- policy and legal risks are associated with climate policies, carbon pricing or other regulatory measures that restrict negative contributors to climate change;

- technology risks are driven by the development of new technology to support a low-carbon economy;
- market risks are driven by economic and social changes that impact supply and demand, such as changing consumer preferences around supporting fossil fuels; and
- reputational risk refers to the impact of negative public perceptions of high-emissions sectors or organisations which are not deemed to be supporting the Net Zero transition.

Whilst the Babcock Group's approach to climate risk management is currently at a lower level of maturity, its Climate Risk Working Group has been working with industry specialists to refine and enhance the approach to the identification and management of climate-related risks. Failure to anticipate, manage or adapt to these climate-related risks may lead to increased operating costs, disruption to service delivery, reduced asset resilience, higher insurance premiums or restricted coverage, regulatory penalties, and diminished customer and investor confidence. Such outcomes could adversely affect the Babcock Group's business, financial performance, financial condition and prospects.

1.8. *Digital change agenda, approach to data management and disruption of new technology offerings*

The Babcock Group's business and operations are dependent on information technology systems. Consequently, there is a focus on developing key programmes to increase the resilience and effectiveness of the Babcock Group's corporate IT solutions, information management and data analytics. The Babcock Group works in partnership with key suppliers to understand the potential of new technologies on the market, and to develop and maintain roadmaps for key products and platforms. This includes understanding how best to safely exploit relevant emerging technologies such as machine learning, automation and artificial intelligence.

Failure to respond to developing trends may reduce opportunities to augment existing contracts or build new commercial offerings. Digital change is the Babcock Group's response to the advancement of modern IT and solutions. The Babcock Group's ability to be responsive to these developments, in a commercially sensitive way, has a material impact on its ability to unlock new business and enhance existing contracts. The Babcock Group's products and services could lag behind competitors and customer requirements if it is unable to incorporate appropriate data and technology-enabled capabilities.

If the Babcock Group is unable to develop, implement or operate its information technology systems effectively, or if those systems do not meet the requirements of its customers, the Babcock Group may not be able to compete effectively to win new contracts or meet its contractual obligations. This may also adversely affect staff retention, exacerbating the risk of loss of knowledge that is material to the Babcock Group's business. Such outcomes could adversely affect the Babcock Group's business, financial condition, results of operations and prospects.

1.9. *The Babcock Group operates in many specialised engineering and technical domains which require appropriate skills and experience*

The Babcock Group's business delivery and future growth depend on its ability to recruit, develop and retain an experienced, highly skilled and diverse leadership team and workforce across a broad range of disciplines. Many of the competencies and skills on which the Babcock Group relies are deeply specialist and scarce in supply in the territories that it operates in. Competition for such employees is intense, and the Babcock Group may not be successful in attracting, training and retaining such employees on acceptable terms.

This risk is heightened by the additional restrictions related to the sector in which the Babcock Group operates, including security and nationality. Changes to visa

requirements have also reduced the Babcock Group's ability to easily transfer employees from EU countries and deploy personnel internationally. Insufficient availability of qualified and experienced employees may result in reduced service quality, delays, increased reliance on contractors or higher recruitment and training costs. Additionally, industry salary benchmarks are increasing due to both scarcity of supply and increased demand, which could impact contract profitability.

Any failure to attract, train, retain and deploy appropriately skilled employees could have an adverse effect on the Babcock Group's business, financial condition, results of operations and prospects.

1.10. *The Babcock Group may not realise the expected benefits of its acquisitions or disposals*

The Babcock Group has built its core strengths organically and through acquisition. While its focus remains primarily on operational execution, The Babcock Group continues to review potential acquisition opportunities that align with its strategy. Decisions to acquire companies, as well as the process of its acquisition and integration, are complex, time-consuming and expensive. In the event that the Babcock Group undertakes acquisitions, there is a risk that the anticipated financial or strategic benefits may not be realised as expected. This may occur if the integration activities are not executed effectively, or if acquisition business cases relying on market conditions or other business assumptions subsequently do not materialise. In such circumstances, the rationale for the acquisition may be undermined, and the Babcock Group may incur unforeseen costs or reduced returns.

In relation to companies identified as non-core, and which become potential disposal candidates, there is a risk that key employees may become distracted or demotivated or such companies lose key employees, which may lead to poor performance whilst also undermining their value to their customers and a potential buyer.

Any failure to execute acquisitions or disposals effectively could adversely affect the Babcock Group's business, financial condition, results of operations and future prospects.

1.11. *Failure to ensure the technical products and services the Babcock Group develops and/or delivers to its customers and end users are legally and contractually safe, compliant, secure and high quality*

The Babcock Group's customers and stakeholders need to have confidence that all its technical products (goods and services) have high levels of technical integrity, meaning that they are safe for its customers and end-users to own, operate, maintain, store and dispose of over their life, perform as they are intended to, are secure from physical and cyber threats, and are high quality to ensure that they perform to expectations. Without that confidence, the Babcock Group exposes itself and others to potentially significant safety, compliance, financial, reputational and legal risk.

Safety risks can materialise if technical products cause harm to people or the environment. Financial risks can result from re-work and product recalls as well as from noncompliance. Legal risks, including to the Babcock Group's licence to operate in regulated areas, can arise from product safety issues or contractual issues associated with a non-compliant product. Reputational issues can arise from any of these, or from poor quality and/or poor performance of products, for example, if its products do not meet customer expectations and requirements around, among others, capability, reliability or availability.

The nature of the complex technical work the Babcock Group undertakes also means that it needs to be embedded in the forefront of advanced technology deployment. However, the adoption of such technologies must be undertaken responsibly. This requires identifying, understanding and managing the uncertainties and potential risks and opportunities associated with rapidly evolving technologies. Relevant considerations include privacy, ethics, sustainability, data and information security, technical integrity, product safety, cost and compliance. Any failure to ensure the integrity, safety or quality

of its technical products, or to manage the risks associated with the implementation of new technologies, could adversely affect the Babcock Group's business, operational performance, regulatory standing, reputation and financial condition.

2. Risks related to the Babcock Group's financial situation

2.1. The Babcock Group has significant defined benefit pension schemes in the UK, which provide for a specified level of pension benefits to scheme members

The Babcock Group operates several defined benefit and defined contribution pension schemes in the UK. The Babcock Group's UK defined benefit schemes are of the funded defined benefit type, with benefits accruing based on salary and length of service. The cost of such schemes is met from both member and employer contributions paid into pension scheme funds and the investment returns achieved by the schemes, and in the case of the defined benefit pension schemes those funds over time have to meet the cost of the defined benefit obligations.

The level of contributions required to meet the pension obligations is actuarially determined every three years based on various assumptions which are subject to change, such as life expectancy of members, gilt yields, investment returns, inflation, and regulatory changes. Based on the assumption used at any time, there is always a risk of a significant shortfall in the schemes' assets below the calculated cost of the pension obligations.

If, based on the assumptions being used at any time, the Babcock Group's pension trustees are of the view that the assets in the pension schemes are insufficient to meet pension liabilities or if the Babcock Group's balance sheet strength does not meet the pension trustees' expectations, they may require increased contributions and/or lump sum cash payments into the schemes or the provision of additional security from the Babcock Group. Any such requirement could reduce the cash available to meet the Babcock Group's other obligations or business needs and may restrict its future growth.

The principal defined benefit schemes for Babcock Group employees in the UK are the Babcock International Group Pension Scheme, the Devonport Royal Dockyard Pension Scheme and the Rosyth Royal Dockyard Pension Scheme. The total of the combined assets of these schemes was £2,476 million as at 31 March 2025.

The three largest defined benefit pension schemes in the Babcock Group have put in place longevity swaps (in order to partially hedge mortality risk) and the Babcock Group has been working constructively with an investment sub-committee across the three largest schemes to implement further hedging and de-risking strategies.

The Babcock Group's pension liabilities are calculated on various bases for different purposes and a significant increase in scheme deficits on certain of these bases could have an adverse effect on the Babcock Group's business, operating or financial results or financial position.

Accounting: The liabilities of the defined benefit schemes are measured under International Accounting Standards ("IAS") 19 for accounting purposes. This basis can produce year-to-year volatility due to differences between the investments held in the pension schemes and because of variations in the yields available on corporate bonds and inflationary expectations. These factors can materially affect the pensions charge in the Babcock Group's income statement and the reported surplus or deficit on its balance sheet. As at 31 March 2025, on an IAS 19 measure, the net pension position of the Babcock Group moved to a deficit of £8.4 million.

An increase in the value of the net liabilities of these schemes may negatively affect the Babcock Group's balance sheet and distributable reserves, which could have a material adverse effect on the Babcock Group's business, operating or financial results or financial position.

Ongoing funding: UK pension trustees are required to carry out an actuarial valuation at least every three years, during which the employer and trustees must agree the pensions contributions required to fund the cost of future service benefits and any deficit contributions required as part of the recovery plan, to eliminate any deficit arising over an agreed period of time. If the employer and trustees fail to reach agreement, the Pensions Regulator has statutory powers to intervene, although in practice it will typically encourage continued negotiations before exercising those powers. Increases in scheme liabilities and/or reductions in the value of scheme assets can lead to increased deficits at future formal actuarial valuations, typically resulting in increased employer contributions.

Under their latest formal actuarial valuations, Babcock International Group Pension Scheme had assets valued at £1,529 million (representing a level of funding of 105%), Devonport Royal Dockyard Pension Scheme had assets valued at £1,330 million (representing a level of funding of 92%) and Rosyth Royal Dockyard Pension Scheme had assets valued at £653 million (representing a level of funding of 89%).

Demands for materially increased contributions from the Babcock Group employers to meet past service deficits or future service costs would impact the cash flows of the Babcock Group, which could have a material adverse effect on the Babcock Group's business, operating or financial results or financial position.

Buy-out funding: The buy-out deficit of the pension schemes, which reflects the cost of securing scheme liabilities with an insurer, is typically the most expensive basis for valuing scheme liabilities and can fluctuate significantly due to movement in annuity pricing. This deficit may become payable in relation to a UK defined benefit pension scheme if the scheme is wound up. In addition, an employer's share of the buy-out deficit may become payable in circumstances where (i) the relevant employer ceases to participate in an ongoing pension scheme when at least one other employer is continuing to participate and (ii) subject to certain conditions, where the employer is insolvent. In addition, the Pensions Regulator has the power, where it considers it reasonable to do so and certain statutory conditions are met, (for example, where an employer in relation to a pension scheme is considered to be "insufficiently resourced" for the purposes of the relevant legislation or if a particular transaction has a materially detrimental impact on the pension scheme) to require an employer or other group entities to provide financial support to a pension scheme, including contributions of up to the full buy-out deficit.

Any requirement to fund all or part of such a buy-out deficit could have an adverse effect on the Babcock Group's business, financial condition, results of operations or prospects.

2.2. *The Babcock Group is exposed to a number of financial risks, some of which are of a macroeconomic nature and some of which are specific to the Babcock Group*

The Babcock Group is exposed to risks arising from insufficient financial resilience, which may impair its ability to raise new debt funding to invest in existing or future business, or refinance existing indebtedness on acceptable terms. Any lack of financial resilience may also lead the Babcock Group's existing lenders to increase the cost of the Babcock Group's funding or impose more restrictive terms.

The Babcock Group is subject to risks associated with fluctuations in currency exchange rates in the ordinary course of its businesses, with a significant portion of revenue, assets and liabilities being denominated in currencies other than pounds sterling, in particular the euro, the South African rand, the Australian dollar and the Canadian dollar. Where the Babcock Group has debt denominated in currencies other than Sterling, adverse exchange rate movements could increase the cost of repaying such debt.

The Babcock Group prepares its consolidated financial statements in pounds sterling. Accordingly, when preparing its consolidated financial statements, the Babcock Group translates the value of any assets, liabilities, turnover and expenses that are reported or accounted for in other currencies into pounds sterling. Consequently, increases and decreases in the value of the pound sterling against these other currencies (in particular

the euro, the South African rand, the Australian dollar and the Canadian dollar) will affect the amount of these items in the Babcock Group's consolidated financial statements, even if their value has not changed in their original currency. In addition to the extent expenses are incurred that are not denominated in the same currency as related turnover, exchange rate fluctuations could cause the Babcock Group's expenses to increase as a percentage of turnover, affecting its profitability. The Babcock Group is also subject to interest rate risk in the ordinary course of business due to debt incurred at variable interest rates. Although the Babcock Group hedges against financial risks through derivative instruments such as forward exchange contracts, currency options, interest rate and currency swaps and combined instruments, there can be no assurance that any hedging strategy will be effective and that foreign currency and interest rate fluctuations will not adversely affect the results of operations of the Babcock Group.

Customers or suppliers may question the Babcock Group's long-term sustainability if it has a weak balance sheet, potentially resulting in tighter contractual terms or, in extreme circumstances, the loss of new business opportunities. Any rating downgrade by credit rating agencies in respect of the Babcock Group could increase the Babcock Group's cost of borrowing and reduce access to capital markets impairing its ability to raise new debt funding to invest in existing or future business. In addition, a lack of financial resilience of the Babcock Group may trigger certain pension scheme financial thresholds, requiring the allocation of further resources to the relevant pension schemes.

The Babcock Group's debt facilities contain certain restrictive covenants that could limit its operating and financial flexibility, such as a covenant in respect of gearing. A breach of any of these covenants could result in a significant proportion of the Babcock Group's borrowings becoming immediately repayable. In order to remain in compliance with these covenants, and depending on the future performance of its business, the Babcock Group may be required to take actions that it would not otherwise have chosen or may be unable to pursue opportunities it otherwise would have, such as possible acquisition opportunities. Furthermore, any future debt financing that the Babcock Group obtains may impose additional restrictions on financing and operating activities.

In addition, if companies working in the defence or nuclear sectors, such as Babcock, were deemed not suitable for investment by certain investment funds (such as those operating under extremely strict ESG policies) the cost and/or availability of capital to the Babcock Group may be adversely affected, impairing its ability to raise new debt funding to invest in existing or future business.

These capital allocation constraints could limit the Babcock Group's financial and operational flexibility, and this could have an adverse effect on its business, financial condition, results of operations or prospects.

3. *Legal and regulatory risks*

3.1. *Babcock Group is dependent on being able to comply with applicable customer or industry specific requirements or regulations*

The Babcock Group is subject to extensive and increasing regulation in the jurisdictions in which it operates. Applicable laws and regulations include, among others, anti-bribery laws, import and export controls, tax, procurement rules, human rights laws, and data protection regulations.

Compliance with some regulatory requirements is a precondition for operating in several of the Babcock Group's core sectors, including its nuclear and aviation businesses. Given the nature of its customers and the markets in which it operates, as well as the services that it provides, the Babcock Group's reputation, not only in terms of delivery but also in terms of behaviour and regulatory compliance, is a fundamental business asset.

In order to enter into and perform contracts with its customers, the Babcock Group needs to obtain and retain the necessary eligible status, approvals, consents and/or licences, and meet the standards required by them of their suppliers and contractors. The loss,

expiration, suspension, cancellation or termination of any one of these contracts for any reason, failure to obtain or retain the necessary eligible status, approvals, consents and/or licences to contract with any such customer, or loss of reputation with any such customer (including as a result of loss of reputation by other outsourcing service providers or service providers generally), could have a material adverse effect on the business with this customer base and on the Babcock Group's future results of operations and financial condition.

Violations of laws, regulations or permits could result in the suspension or closure of the Babcock Group's operations, the imposition of fines, the commencement of litigation or other proceedings or the imposition of other sanctions, and/or reputational damage. Other liabilities under environmental laws, including clean-up of hazardous substances, can be costly to discharge. Whilst the Babcock Group incurs, and expects to incur, substantial capital and operating costs to comply with these laws and regulations, it is possible that any of these laws and regulations will change or become more stringent in the future, increasing compliance costs and potential liabilities, each of which (or which together) could have a materially adverse effect on the business, financial condition, results of operations or prospects of the Babcock Group.

3.2. *As a contractor with national and local governments, public sector bodies and agencies and government-regulated customers, the Babcock Group is subject to procurement rules and regulations and procurement delays*

As a contractor with governments and government-regulated customers, members of the Babcock Group must comply with specific procurement regulations and other requirements. These requirements, although customary when entering into contracts with public sector bodies, increase the Babcock Group's bidding, performance and compliance costs. If procurement requirements or eligibility to bid criteria change, eligibility to bid for such contracts may be affected or the costs of bidding for or complying with such contracts could increase and have a negative impact on the Babcock Group's financial condition and results of operations. Failure to comply with qualification to bid criteria, procurement rules and regulations (which can change) could result in reductions in the number or values of contracts to be awarded to the Babcock Group, the Babcock Group not being allowed to participate in future tenders, or contract modifications or terminations, any or all of which could have an adverse effect on the financial condition and results of operations of the Babcock Group. Failure to comply with these rules and regulations could lead to members of the Babcock Group being unable to contract with the public sector body concerned either at all or for a period of time and could negatively impact the Babcock Group's reputation and ability to procure further public sector work in the future. In addition, public sector projects may require relevant approvals from either national or local government ministers or senior civil servants, national or local government departments or other public sector bodies or agencies. It is possible that, due to difficulties in obtaining such approvals, projects may be delayed before procurement has started, during the tender stage or during the period between being appointed as the preferred bidder and execution of final contracts. Delays in awarding public contracts may also arise from challenges to the award of the contracts by competitors. These matters are beyond the Babcock Group's control, and any resulting delays could have an adverse impact on the Babcock Group's business, financial condition, results of operations or prospects. Like all businesses contracting with national or local government departments or other public sector bodies or agencies, the Babcock Group faces additional risks of challenge related to public sector customer compliance with procurement, state aid, *intra vires* and other legal requirements for the validity of such customers' actions, which could have an adverse impact on the Babcock Group's business, financial condition, results of operations or prospects.

3.3. *The Babcock Group's contracts with national and local governments and public sector bodies and agencies or major commercial customers may contain unfavourable provisions*

The Babcock Group's contracts with national and local governments and public sector bodies and agencies or major commercial customers with significant bargaining power

contain provisions, and are subject to laws and regulations, that give such customers contractual rights and remedies, some of which are not typically found in commercial contracts, such as wide ranging indemnities or uncapped liabilities arising from a variety of sources which may, in some circumstances be guaranteed by Babcock or other members of the Babcock Group, and which can be onerous for the Babcock Group. In addition, the contracts with national or local governments, public sector bodies or agencies, regulated customers and major commercial customers may in some cases permit such customers to modify or terminate the contract, in whole or in part, without, or on short, prior notice, without cause or for default based on performance. If any of the Babcock Group's contracts are terminated other than for default, the relevant member(s) of the Babcock Group would generally be entitled to payments for allowable costs and may receive some allowance for profit on the work performed but usually not for future profits. If a contract is terminated for default, the Babcock Group could be exposed to significant liability for damages or other compensation, and it could have a negative impact on its ability to obtain future contracts and orders. Furthermore, on contracts for which the relevant member of the Babcock Group is a subcontractor or a member of a consortium and not the sole prime contractor, customers could terminate the prime contract or project agreement irrespective of the Babcock Group's performance.

If significant terms (such as pricing) of certain of the Babcock Group's contracts or subcontracts are modified or if certain of the Babcock Group's contracts or subcontracts are terminated by such customers and the Babcock Group is unable to win new contracts to offset the lost revenue, the Babcock Group's business, financial condition or results of operations could be materially adversely affected.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH THE NOTES ISSUED UNDER THE PROGRAMME

1. Risks related to the structure of a particular issue of Notes

1.1. *If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return*

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

1.2. *Zero Coupon Notes may experience price volatility in response to changes in market interest rates*

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

1.3. *If the Notes include a feature to convert the interest basis from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned*

Fixed/Floating Rate Notes are Notes which may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to

convert the interest basis, and any conversion of the interest basis, may affect the secondary market and the market value of such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

1.4. Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates

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

1.5. The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to such "benchmarks"

Interest rates and other indices which are deemed to be "benchmarks" (including the Euro Interbank Offered Rate ("EURIBOR"), the Sterling Overnight Index Average ("SONIA") and the Secured Overnight Financing Rate ("SOFR")) have been subject to significant regulatory scrutiny and legislative intervention in recent years. This relates not only to creation and administration of benchmarks, but, also, to the use of a benchmark rate. In the EU, for example, Regulation (EU) No. 2016/1011, as amended, (the "**EU Benchmarks Regulation**") applies to the provision of, contribution of input data to, and the use of, a benchmark within the EU, subject to certain transitional provisions. Recent amendments to the EU Benchmarks Regulation, which entered into force on 1 January 2026, significantly reduced the scope of application of the EU Benchmarks Regulation, including by narrowing the range of benchmarks captured (but still capturing EURIBOR). Similarly, Regulation (EU) No. 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**UK Benchmarks Regulation**") applies to the provision of contribution of input data to and the use of, a benchmark within the UK, subject to certain transitional provisions. Additionally, in the UK, HM Treasury is currently consulting on the proposed new "Specified Authorised Benchmarks Regime", which is intended to further narrow the scope of the UK Benchmarks Regulation. That consultation is scheduled to close on 11 March 2026 and may result in future legislative reform affecting the categorisation and regulatory treatment of benchmarks. Legislation such as the EU Benchmarks Regulation or the UK Benchmarks Regulation, if applicable, could have a material impact on any Notes linked to or referencing a benchmark rate or index for example, if the methodology or other terms of the benchmark are changed in the future in order to comply with the terms of the EU Benchmarks Regulation or the UK Benchmarks Regulation or other similar legislation, or if a critical benchmark is discontinued or is determined to be by a regulator to be "no longer representative". Such factors could (amongst other things), have the effect of reducing or increasing the rate or level of the benchmark or may affect the volatility of the published rate or level of the benchmark.

They may also have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international or national reforms and the possible application of the benchmark replacement provisions of Notes in making any investment decision with respect to any Notes linked to benchmark.

1.6 *The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates*

Investors should be aware, although the use of SONIA in the sterling bond markets is now fairly well established, that the market continues to develop in relation to SONIA and SOFR as reference rates continue to develop. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of Notes referencing such rates, but also how widely such rates and methodologies might be adopted.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions of the Notes and used in relation to Notes that reference risk-free rates issued under the Programme. The Issuer may in the future also issue Notes referencing SONIA and SOFR that differ materially in terms of interest determination when compared with any previous Notes issued by it under the Programme. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility, or could otherwise affect the market price of any Notes that reference a risk-free rate issued under the Programme from time to time.

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

In particular, investors should be aware that several different methodologies have been used in risk-free rate notes issued to date. No assurance can be given that any particular methodology, including the compounding formula in the Conditions of the Notes, will gain widespread market acceptance.

In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. If the relevant risk-free rates do not prove to be widely used in securities like the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of Notes referencing indices that are more widely used.

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

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

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

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

Furthermore, interest on Notes which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference such risk-free rates reliably to estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes.

The administrator of SONIA, SOFR or any related indices or other reference rates may make changes that could change the value of SONIA, SOFR, or any related index or other reference rates, or discontinue SONIA, SOFR, or any related index or other reference rates.

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

1.8 Floating Rate Notes which reference EURIBOR, SOFR, SONIA or other benchmarks

The Conditions provide for certain fallback arrangements in the event that a published benchmark, including an inter-bank offered rate such as EURIBOR (including any page on which such benchmark may be published (or any successor service)) becomes unavailable or a Benchmark Event or, in the case of Floating Rate Notes linked to SOFR, a Benchmark Transition Event, as applicable, otherwise occurs. Such an event may be deemed to have occurred prior to the issue date for a Tranche of Notes. Such fallback arrangements include the possibility that the Rate of Interest or other amounts payable under the Notes could be set by reference to a Successor Rate, an Alternative Rate or a Benchmark Replacement (as applicable), with the application of an Adjustment Spread or a Benchmark Replacement Adjustment (as applicable) (which could be positive, negative or zero), and may include amendments to the Conditions to ensure the proper operation of the new benchmark, all as more fully described at Condition 7(d) (*Floating Rate Note Provisions – Benchmark Discontinuation*) and Condition 7(c)(iii)(C) (*Floating Rate Note Provisions – Screen Rate Determination: Overnight Rate - Compounded Daily SOFR - Non-Index Determination*), as applicable.

It is possible that the adoption of a Successor Rate, an Alternative Rate or a Benchmark Replacement, as applicable, including any Adjustment Spread or Benchmark Replacement Spread, as applicable, may result in any Notes linked to or referencing an Original Reference Rate or a Benchmark, as applicable, performing differently (which may include payment of a lower Rate of Interest) than they would if the Original Reference Rate or Benchmark, as applicable, were to continue to apply in its current form. There is also a risk that the relevant fallback provisions may not operate as expected or intended at the relevant time.

There is no assurance that the characteristics of any replacement benchmark would be similar to the affected benchmark, that any replacement benchmark would produce the

economic equivalent of the affected benchmark or would be a suitable replacement for the affected benchmark. The choice of replacement benchmark is uncertain and could result in the use of risk free rates and/or in the replacement benchmark being unavailable or indeterminable. In certain circumstances the ultimate fallback provisions may result in the effective application of a fixed rate of interest to Floating Rate Notes. Furthermore, due to the uncertainty concerning the availability of successor rates and alternative reference rates and/or if the Issuer determines that it is not able to follow the prescribed steps set out in the Conditions of the Notes, the relevant fallback provisions may not operate as intended at the relevant time. Any such consequence could have a material adverse effect on the trading markets for such Notes, the liquidity of such Notes and/or the value of and return on any such Notes. The Conditions of the Notes may require the exercise of discretion by the Issuer or an independent adviser, as the case may be, and the making of potentially subjective judgements (including as to the occurrence or not of any events which may trigger amendments to the Conditions of the Notes) and/or the amendment of the Conditions of the Notes without the consent of the Noteholders. The interests of the Issuer or the independent adviser, as applicable, in making such determinations or amendments may be adverse to the interests of the Noteholders.

Furthermore, in certain circumstances, the ultimate fallback for the purposes of calculation of the Rate of Interest for a particular Interest Period may result in the Rate of Interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by a published benchmark becoming unavailable, or a Benchmark Event or a Benchmark Transition Event, as applicable, occurring, and the possible application of the benchmark replacement provisions of Notes in making any investment decision with respect to any Notes linked to benchmark.

2. Risks related to the Notes generally

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

2.1. *The Conditions of the Notes contain provisions which may permit their modification, including the substitution of the Issuer, without the consent of all investors*

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

The Conditions of the Notes and the Trust Deed also provide that the Trustee may, without the consent of Noteholders, (i) agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or (ii) determine that any Potential Event of Default (as defined in the Trust Deed) or Event of Default shall not be treated as such or (iii) agree to the substitution of any holding company of the Issuer, Subsidiary of the Issuer or successor in business of the Issuer as the principal debtor in relation to the Notes and Coupons of any Series, in the circumstances described in the Trust Deed and the Conditions of the Notes, **provided that** in the case of (i), (ii) and (iii), the Trustee is of the opinion that to do so would not be materially prejudicial to the interests of Noteholders.

2.2. *There is no active trading market for the Notes*

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single Series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon

prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although applications have been made for the Notes issued under the Programme to be admitted to listing on the Official List of the FCA and to trading on the main market of the London Stock Exchange, there is no assurance that such applications will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

2.3. *Risks relating to structural subordination of the Notes*

The Issuer is the holding company of the Babcock Group and as such its operations are principally conducted through its subsidiaries. Accordingly, the Issuer is and will be dependent on its subsidiaries' operations to service its indebtedness, including the Notes. The Notes will be structurally subordinated in respect of the claims of all holders of debt securities and other creditors, including trade creditors, of the Issuer's subsidiaries. In the event of an insolvency, liquidation, reorganisation, dissolution or winding up of the business of any subsidiary of the Issuer, creditors of such subsidiary generally will have the right to be paid in full before any distribution is made to the Issuer.

2.4. *Investors who purchase Notes in denominations that are not an integral multiple of the Specified Denomination may be adversely affected if definitive Notes are subsequently required to be issued*

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

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

3. *Risks related to the market generally*

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

3.1. *An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes 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 Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of the Notes.

3.2. *If an investor holds Notes which are not denominated in the investor's home currency, such investor will be exposed to movements in exchange rates adversely affecting the value of such investor's holding. In addition, the imposition of*

exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

3.3. The value of Fixed Rate Notes may be adversely affected by movements in market interest rates

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

3.4. Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes

As of the date of this Base Prospectus, the Issuer has been assigned a rating of BBB+ (stable outlook) by S&P. Tranches of Notes to be issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Such rating will not necessarily be the same as the rating(s) assigned to Issuer, the Programme or to Notes already issued. One or more independent credit rating agencies may also assign credit ratings to the Notes, which may not necessarily be the same ratings as the Issuer or Programme rating described above or any rating(s) assigned to Notes already issued. Such ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

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

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered

credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances.

If the status of the rating agency rating the Notes changes for the purposes of the EU CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EU or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market.

Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

INFORMATION INCORPORATED BY REFERENCE

The following documents, which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the FCA, shall be deemed to be incorporated in, and form part of, this Base Prospectus:

- a) the information set out in the following sections of the annual report and financial statements of the Issuer for the year ended 31 March 2025 (the "**2025 Annual Report**") which is available at: <https://www.babcockinternational.com/wp-content/uploads/2025/07/Babcock-Annual-Report-and-Financial-Statements-2025.pdf>:

Financial highlights	Page 1
At a glance	Pages 2 to 3
Chair's statement	Pages 4 to 5
Investment case (excluding the section entitled "Strong focus on our updated medium-term targets" on page 7)	Pages 6 to 7
Strategic framework	Pages 8 to 9
Our business model	Pages 12 to 13
CEO review (excluding the section entitled "Upgraded medium term guidance" on page 20)	Pages 16 to 21
Key performance indicators	Pages 26 to 27
Financial review	Pages 28 to 45
Operational reviews	Pages 46 to 61
Sustainability	Pages 64 to 95
Responsible business	Pages 96 to 99
Non-financial and sustainability information statement	Pages 100 to 103
Principal risks and management controls	Pages 104 to 123
Going concern and viability statement	Pages 124 to 125
Board of Directors	Pages 128 to 131
Company financial statements	Pages 266 to 274

- b) the information set out in the following sections of the annual report and financial statements of the Issuer for the year ended 31 March 2024 (the "**2024 Annual Report**") which is available at: <https://www.babcockinternational.com/wp-content/uploads/2025/06/Babcock-Annual-Report-Financial-Statements-2024.pdf>:

Financial highlights	Page 1
At a glance	Pages 2 to 3
Investment case (excluding the section entitled "Strong focus on our updated medium-term targets" on page 5)	Pages 4 to 5
Chair's statement	Pages 6 to 7
CEO review (excluding the section entitled "Outlook" on page 11)	Pages 8 to 11
Strategic framework	Pages 14 to 15
Our business model	Pages 16 to 17
Key performance indicators	Pages 22 to 23

Financial review	Pages 24 to 43
Operational reviews	Pages 44 to 59
ESG	Pages 62 to 87
Non-financial and sustainability information statement	Page 88
Principal risks and management controls	Pages 89 to 106
Going concern and viability statement	Pages 107 to 109
Board of Directors	Pages 112 to 113
Company financial statements	Pages 247 to 250

- c) audited consolidated annual financial statements as of 31 March 2025, together with the accompanying notes thereto and the auditor's report prepared in connection therewith found on pages 185 to 265 of the 2025 Annual Report which is available at: <https://www.babcockinternational.com/wp-content/uploads/2025/07/Babcock-Annual-Report-and-Financial-Statements-2025.pdf>;
- d) audited consolidated annual financial statements as of 31 March 2024, together with the accompanying notes thereto and the auditor's report prepared in connection therewith found on pages 163 to 246 of the 2024 Annual Report which is available at: <https://www.babcockinternational.com/wp-content/uploads/2025/06/Babcock-Annual-Report-Financial-Statements-2024.pdf>;
- e) the unaudited interim report (excluding the section entitled "FY26 outlook" on page 2) including the interim unaudited condensed consolidated financial statements of the Issuer, published by the Issuer for the six months ended 31 September 2025 which is available at: <https://www.babcockinternational.com/wpcontent/uploads/2025/11/Babcock-HY26-results-statement-21.11.25-.pdf>; and
- f) the unaudited third quarter trading update published by the Issuer for the three months ended 31 December 2025 as set out in the Issuer's announcement "**Q3 Trading Update**" published on 23 January 2026 and available at: <https://www.babcockinternational.com/investors/results-and-presentations/> .

Future financial statements

In addition to the above, the following information published or issued from time to time within twelve months following the date of this Base Prospectus shall be deemed to be incorporated in, and form part of, this Base Prospectus as and when it is published via the Regulatory News Services of the London Stock Exchange:

- g) the audited annual financial statements of the Issuer, together with the accompanying notes and auditor's report;
- h) the audited consolidated annual financial statements of the Issuer, together with the accompanying notes and the auditor's report; and
- i) the unaudited interim consolidated financial statements of the Issuer, together with the accompanying notes,

which, in each case, will be made available at <https://www.babcockinternational.com/investors/results-and-presentations>.

Copies of the documents specified above as containing information incorporated by reference in this Base Prospectus may be inspected, free of charge, at the Issuer's offices at 33 Wigmore Street, London, W1U 1QX and the Issuer's website www.babcockinternational.com/investors/debt-investors/emtn-programme. Any documents themselves incorporated by reference in the documents incorporated by reference in this Base

Prospectus shall not form part of this Base Prospectus. Any information contained in any of the documents specified above which is not incorporated by reference in this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus.

Information incorporated by reference pursuant to (g) to (i) above shall, to the extent applicable, be deemed to modify or supersede statements contained in this Base Prospectus. Any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Following the publication of this Base Prospectus, a supplement may be prepared by the Issuer and approved by the FCA in accordance with PRM 10.1. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus. Where only certain sections of a document referred to above are incorporated by reference in the Base Prospectus, the parts of the document which are not incorporated by reference are either not relevant to prospective investors in the Notes or covered elsewhere in this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus will be published on the website of the Regulatory News Service operated by the London Stock Exchange at <https://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

The Issuer will, at any time when it is required to prepare a supplement pursuant to PRM 10.1, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

This Base Prospectus shall remain valid for 12 months after its approval for admissions to trading on a regulated market, provided that it is completed by any supplement required pursuant to the PRM 10.1. The obligation to supplement a prospectus pursuant to PRM 10.1 does not apply when a prospectus is no longer valid.

FINAL TERMS AND DRAWDOWN PROSPECTUSES

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

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

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, complete this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions described in the relevant Final Terms as completed by such Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the Issuer and the relevant Notes or (2) by a registration document (the "**Registration Document**") containing the necessary information relating to the Issuer, a securities note (the "**Securities Note**") containing the necessary information relating to the relevant Notes and, if necessary, a summary note.

ALTERNATIVE PERFORMANCE MEASURES

Certain alternative performance measures ("**APMs**") are included or referred to in this Base Prospectus (including in the information incorporated by reference).

APMs are non-GAAP measures used by the Babcock Group within its financial publications to supplement disclosures prepared in accordance with other regulations such as International Financial Reporting Standards ("**IFRS**"). APMs are not defined terms under IFRS or other accounting standards and may not be comparable with similarly titled measures reported by other companies. The Issuer considers that these measures provide useful information to enhance the understanding of financial performance. The APMs should not be considered in isolation or as a substitute for figures determined according to other regulatory measures. An explanation of each such metric's components and calculation method can be found on pages 41 to 45 (incorporated by reference herein) of the 2025 Annual Report and pages 39 to 43 (incorporated by reference herein) of the 2024 Annual Report.

FORMS OF THE NOTES

Bearer Notes

Each Tranche of Notes in bearer form ("**Bearer Notes**") will initially be in the form of either a temporary global note in bearer form (the "**Temporary Global Note**"), without interest coupons, or a permanent global note in bearer form (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Note**") which is not intended to be issued in new global note ("**NGN**") form (each, a "**CGN**"), as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depository or a common depository for Euroclear Bank SA/NV as operator of the Euroclear System ("**Euroclear**") and/or Clearstream Banking S.A. Luxembourg ("**Clearstream, Luxembourg**") and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

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

Whether or not the Notes are intended to be held in a manner which would allow Eurosystem eligibility will be set out in the relevant Final Terms. Note that the designation "Yes" in the relevant Final Terms means that the Notes are intended upon issue to be deposited with one of the international central securities depositories ("**ICSDs**") as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. Where the designation is specified as "No" in the relevant Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

In the case of each Tranche of Bearer Notes, the relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

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

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the delivery of a

Permanent Global Note, duly authenticated and, in the case of a NGN, effectuated, to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

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

within 7 days of the bearer requesting such exchange.

Temporary Global Note exchangeable for Definitive Notes

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

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

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

Permanent Global Note exchangeable for Definitive Notes

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

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

If the Specified Denomination of the Notes stated in the final terms includes language substantially to the following effect: "*EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000*", the Notes cannot be represented on issue by a Permanent Global Note exchangeable for Definitive Notes in accordance with (ii) above.

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

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Final Terms which supplement, amend and/or replace those terms and conditions.

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

Legend concerning United States persons

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

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

Registered Notes

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

In a press release dated 22 October 2008, "*Evolution of the custody arrangement for international debt securities and their eligibility in Eurosystem credit operations*", the ECB announced that it has assessed the new holding structure and custody arrangements for registered notes which the ICSDs had designed in cooperation with market participants and that Notes to be held under the new structure (the "**New Safekeeping Structure**" or "**NSS**") would be in compliance with the "*Standards for the use of EU securities settlement systems in ESCB credit operations*" of the central banking system for the euro (the "**Eurosystem**"), subject to the conclusion of the necessary legal and contractual arrangements. The press release also stated that the new arrangements for Notes to be held in NSS form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2010 and that registered debt securities in global registered form issued through Euroclear and Clearstream, Luxembourg after 30 September 2010 will only be eligible as collateral in Eurosystem operations if the New Safekeeping Structure is used.

Each Note represented by a Global Registered Note will either be: (a) in the case of a Note which is not to be held under the New Safekeeping Structure, registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common depositary; or (b) in the case of a Note to be held under the New Safekeeping Structure, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and the relevant Global Registered Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Whether or not the Notes are intended to be held in a manner which would allow Eurosystem eligibility will be set out in the relevant Final Terms. Note that the designation "Yes" in the relevant Final Terms means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria. Where the designation is specified as "No" in the relevant Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them, the Notes may then be deposited with one of the ICSDs as common safekeeper and registered in the name of a nominee of one of the ICSDs acting as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

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

Global Registered Note exchangeable for Individual Note Certificates

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

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

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

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

Terms and Conditions applicable to the Notes

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

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

Summary of Provisions Relating to the Notes while in Global Form

Clearing System Accountholders

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

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

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

Conditions applicable to Global Notes

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

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

Payment Business Day: in the case of a Global Note or a Global Registered Note, shall be: if the currency of payment is euro, any day which is a T2 Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

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

Exercise of put option: In order to exercise the option contained in Condition 9(e) (*Redemption and Purchase – Redemption at the option of Noteholders*) or Condition 9(f) (*Redemption and Purchase – Redemption or Purchase on Change of Control*) the bearer of a Permanent Global Note or the holder of a Global Registered Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give notice of such exercise to the Principal Paying Agent in accordance with the standard procedures of Euroclear and/or Clearstream, Luxembourg specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

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

Notices: Notwithstanding Condition 20 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or a Global Registered Note and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are), or the Global Registered Note is, deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 20 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system. Whilst any of the Notes held by a Noteholder are represented by a Global Note, notices to be given by such Noteholder may be given by such Noteholder to the Principal Paying Agent or Registrar (as applicable) through Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, and otherwise in such manner as the Principal Paying Agent or the Registrar, as the case may be, and/or Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, as the case may be, may approve for this purpose.

Electronic Consent: While any Global Note is held on behalf of, or any Global Registered Note is registered in the name of a nominee for a depositary common to, a clearing system, then approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than three quarters of the principal amount of the Notes outstanding (an "**Electronic Consent**" as defined in the Trust Deed) shall, for all purposes, take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders and holders of Coupons whether or not they participated in such Electronic Consent.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme. The relevant Final Terms shall not amend or replace any information in this Base Prospectus. Subject to this, to the extent permitted by applicable law and/or regulation, the Final Terms in respect of any Tranche of Notes may complete information in this Base Prospectus.

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

1. Introduction

- (a) *Programme:* Babcock International Group PLC (the "**Issuer**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to £3,000,000,000 in aggregate principal amount of notes (the "**Notes**").
- (b) *Final Terms:* Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of a final terms (the "**Final Terms**") which supplements these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.
- (c) *Trust Deed:* The Notes are constituted by, are subject to, and have the benefit of, an amended and restated trust deed dated 3 March 2026 (as amended or supplemented from time to time, the "**Trust Deed**") between the Issuer and The Law Debenture Trust Corporation p.l.c. as trustee (the "**Trustee**", which expression includes all persons for the time being trustee or trustees appointed under the Trust Deed).
- (d) *Agency Agreement:* The Notes are the subject of an amended and restated issue and paying agency agreement dated 3 March 2026 (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuer and HSBC Bank plc as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor principal paying agent appointed from time to time in connection with the Notes), HSBC Bank plc as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), the paying agents named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes), the transfer agents named therein (together with the Registrar, the "**Transfer Agents**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes) and the Trustee. In these Conditions references to the "**Agents**" are to the Paying Agents and the Transfer Agents and any reference to an "**Agent**" is to any one of them.
- (e) *The Notes:* The Notes may be issued in bearer form ("**Bearer Notes**"), or in registered form ("**Registered Notes**"). All subsequent references in these Conditions to "Notes" are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms and Base Prospectus have been published on the website of the Regulatory News Service operated by the London Stock Exchange at <https://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.
- (f) *Summaries:* Certain provisions of these Conditions are summaries of the Trust Deed and the Agency Agreement and are subject to their detailed provisions. Noteholders (as defined below) and the holders of the related interest coupons, if any, (the "**Couponholders**" and the "**Coupons**", respectively) are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them. Copies of the Trust Deed and the Agency Agreement are available for inspection

by Noteholders during normal business hours at the Specified Offices of each of the Agents, the initial Specified Offices of which are set out below.

2. **Interpretation**

(a) *Definitions:* In these Conditions the following expressions have the following meanings:

"Accrual Yield" has the meaning given in the relevant Final Terms;

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

"Additional Financial Centre(s)" means the city or cities specified as such in the relevant Final Terms;

"Babcock Group" means the Issuer and its Subsidiaries;

"BBSW" means, in respect of Australian dollars and any specified period, the interest rate benchmark known as the Bank Bill Swap Reference Rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of ASX Limited (or any other person which takes over the administration of that rate) based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided by a panel of contributor banks (details of historic BBSW rates can be obtained from the designated distributor);

"Broken Amount" has the meaning given in the relevant Final Terms;

"Business Day" means:

- (a) in relation to any sum payable in euro, a T2 Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and
- (b) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

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

- (a) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (c) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) **"FRN Convention"**, **"Floating Rate Convention"** or **"Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant 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
- (e) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

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

"Calculation Amount" has the meaning given in the relevant Final Terms;

"Calculation Date" means the date set out in the relevant notice of redemption;

"Change of Control Redemption Amount" means, in respect of any Note, its principal amount;

"Compounded Daily SOFR" has the meaning given in Condition 7(c)(iii);

"Compounded Daily SONIA" has the meaning given in Condition 7(c)(ii);

"Consolidated Total Assets" means the value of the gross assets of the Babcock Group calculated in accordance with GAAP and shown in and calculated by reference to the latest annual audited consolidated financial statements of the Issuer;

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

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

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

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

- (b) 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);
- (c) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if "**30/360**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

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

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 included in the Calculation Period falls;

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

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

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

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

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

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

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 included in the Calculation Period falls;

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

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

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

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

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

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

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 included in the Calculation Period falls;

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

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

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

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

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

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

"Early Termination Amount" means, in respect of any Note, its principal amount or such amount as may be specified in the relevant Final Terms;

"EURIBOR" means, in respect of the euro and any specified period, the interest rate benchmark known as the Euro zone interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the European Money Markets Institute (or any other person which takes over the administration of that rate) based on estimated interbank borrowing rates for a number of designated currencies and maturities which are provided by a panel of contributor banks (details of historic EURIBOR rates can be obtained from the designated distributor);

"Extraordinary Resolution" has the meaning given in the Trust Deed;

"Final Redemption Amount" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

"First Interest Payment Date" means the date specified in the relevant Final Terms;

"Fixed Coupon Amount" has the meaning given in the relevant Final Terms;

"GAAP" means generally accepted accounting principles in the United Kingdom, including international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the financial statements of the Babcock Group;

"Gross Redemption Yield" means a yield calculated in accordance with generally accepted market practice at such time, as advised to the Issuer and Trustee by the Quotation Agent;

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

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

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

"Holding Company" means a holding company within the meaning of section 1159 of the Companies Act 2006;

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

- (a) amounts raised by acceptance under any acceptance credit facility;
- (b) amounts raised under any note purchase facility;
- (c) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (d) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days; and
- (e) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

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

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

"Interest Determination Date" has the meaning given in the relevant Final Terms;

"Interest Payment Date" means the First Interest Payment Date and any other date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant 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;

"Issue Date" has the meaning given in the relevant Final Terms;

"Make-Whole Amount" means the principal amount of the Notes to be redeemed multiplied by the price (expressed as a percentage and rounded to four decimal places with 0.00005 being rounded upwards) at which the Gross Redemption Yield on such Notes on the relevant Calculation Date is equal to (A) the Gross Redemption Yield at the Quotation Time on the relevant Calculation Date of the Reference Security, plus (B) the Make-Whole Redemption Margin, all as determined by the Quotation Agent;

"Make-Whole Redemption Margin" has the meaning given in the relevant Final Terms;

"Material Subsidiary" at any time means a Subsidiary of the Issuer the turnover, or profits before interest and taxation (including intra-group items, but excluding any exceptional and extraordinary items) of which at that time equal or exceed 10 per cent. of the turnover, or profits before interest and taxation of the Babcock Group, such turnover or profits before interest and taxation (and excluding exceptional and extraordinary items) being ascertained from the most recently prepared annual audited financial statements of the Issuer and the most recently prepared annual audited financial statements of its Subsidiaries, and a certificate signed by two Officers of the Issuer certifying that in their opinion, based on such financial statements, a Subsidiary is or is not or was or was not a Material Subsidiary, may be relied upon by the Trustee without liability and without further enquiry or evidence, and if relied upon by the Trustee, shall, in the absence of manifest error, be conclusive and binding on all parties;

"Maturity Date" has the meaning given in the relevant Final Terms;

"Maximum Redemption Amount" has the meaning given in the relevant Final Terms;

"Minimum Redemption Amount" has the meaning given in the relevant Final Terms;

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

"Officer" means a director of the Issuer or the Issuer's company secretary, from time to time;

"Optional Redemption Amount (Call)" has the meaning given in Condition 9(c) (*Redemption at the option of the Issuer*);

"Optional Redemption Amount (Put)" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

"Optional Redemption Date (Call)" has the meaning given in the relevant Final Terms;

"Optional Redemption Date (Put)" has the meaning given in the relevant Final Terms;

"Payment Business Day" means:

- (a) if the currency of payment is euro, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account, a T2 Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (b) if the currency of payment is not euro, any day which is:
 - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

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

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

- (a) in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (b) in relation to New Zealand dollars, it means either Wellington or Auckland as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

"Put Option Notice" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to require redemption or, as the case may be, purchase of a Note at the option of the Noteholder;

"Put Option Receipt" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to require redemption or, as the case may be, purchase of a Note at the option of the Noteholder in accordance with Conditions 9(e) (*Redemption at the option of Noteholders*) or 9(f) (*Redemption or Purchase on Change of Control*);

"Quotation Agent" means any Dealer or any other international credit institution or financial services institution appointed by the Issuer for the purpose of determining the Make-Whole Amount after consultation with the Trustee;

"Quotation Time" has the meaning given in the relevant Final Terms;

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

"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, the Change of Control

Redemption Amount or such other amount in the nature of a redemption amount as may be specified in the relevant Final Terms;

"Reference Banks" has the meaning given in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

"Reference Price" has the meaning given in the relevant Final Terms;

"Reference Rate" means SONIA, SOFR, BBSW or EURIBOR, as specified in the relevant Final Terms;

"Reference Security" shall be the security as specified in the relevant Final Terms or, where the Quotation Agent advises the Issuer and Trustee that, for reasons of illiquidity or otherwise, such security is not appropriate for such purpose, such other government stock as such Quotation Agent may recommend;

"Regular Period" means:

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

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

"Relevant Financial Centre" has the meaning given in the relevant Final Terms;

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

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

"Relevant Time" has the meaning given in the relevant Final Terms;

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

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

"SOFR" has the meaning given in Condition 7(c)(iii)(B) (*Floating Rate Note Provisions – Screen Rate Determination: Overnight Rate - Compounded Daily SOFR - Non-Index Determination*);

"SONIA" has the meaning given in Condition 7(c)(ii)(B) (*Floating Rate Note Provisions – Screen Rate Determination: Overnight Rate - Compounded Daily SONIA - Non-Index Determination*);

"Specified Currency" has the meaning given in the relevant Final Terms;

"Specified Denomination(s)" has the meaning given in the relevant Final Terms;

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

"Specified Period" has the meaning given in the relevant Final Terms;

"Subsidiary" means a subsidiary within the meaning of section 1159 of the Companies Act 2006 but excluding for the purposes of these Conditions any subsidiary which is not a subsidiary of the Issuer for the purposes of GAAP;

"Successor in Business" means any company which as a result of any amalgamation, merger or reconstruction or which, as a result of any agreement with the Issuer, owns beneficially all or substantially all of the undertaking, property and assets owned by the Issuer prior to such amalgamation, merger, reconstruction or agreement coming into force;

"Talon" means a talon for further Coupons;

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

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

"Tax Jurisdiction" means (i) any jurisdiction under the laws of which the Issuer, or any successor to the Issuer, is organised or in which it is resident for tax purposes or (ii) any other taxing jurisdiction to which the Issuer may become subject at any time or, in any such case, any political subdivision or any authority thereof or therein having power to tax; and

"Zero Coupon Note" means a Note specified as such in the relevant Final Terms.

(b) *Interpretation:* In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;

- (iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 12 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions (including, without limitation, any purchase moneys pursuant to Condition 9(f) (*Redemption or Purchase on Change of Control*));
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 12 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being "outstanding" shall be construed in accordance with the Trust Deed;
- (vii) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes; and
- (viii) any reference to the Trust Deed or the Agency Agreement shall be construed as a reference to the Trust Deed or the Agency Agreement, as the case may be, as amended and/or supplemented up to and including the Issue Date of the Notes.

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

- (a) *Bearer Notes*: Bearer Notes are in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.
- (b) *Title to Bearer Notes*: Title to Bearer Notes and the Coupons will pass by delivery. In the case of Bearer Notes, "**Holder**" means the holder of such Bearer Note and "**Noteholder**" and "**Couponholder**" shall be construed accordingly.
- (c) *Registered Notes*: Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the relevant Final Terms and higher integral multiples of a smaller amount specified in the relevant Final Terms.
- (d) *Title to Registered Notes*: The Registrar will maintain the register in accordance with the provisions of the Agency Agreement. A certificate (each, a "**Note Certificate**") will be issued to each Holder of Registered Notes in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register. In the case of Registered Notes, "**Holder**" means the person in whose name such Registered Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly.
- (e) *Ownership*: The Holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or, in the case of Registered Notes, on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.
- (f) *Transfers of Registered Notes*: Subject to paragraphs (i) (*Closed periods*) and (j) (*Regulations concerning transfers and registration*) below, a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of

transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; **provided, however, that** a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a Holder are being transferred) the principal amount of the balance of Registered Notes not transferred are Specified Denominations. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.

- (g) *Registration and delivery of Note Certificates:* Within five business days of the surrender of a Note Certificate in accordance with paragraph (f) (*Transfers of Registered Notes*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, "**business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.
- (h) *No charge:* The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.
- (i) *Closed periods:* Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes.
- (j) *Regulations concerning transfers and registration:* All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

4. **Status**

The Notes constitute direct, general and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

5. **Negative Pledge**

So long as any Note remains outstanding, none of the Issuer or any Material Subsidiary shall create or permit to subsist any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness or Guarantee of Relevant Indebtedness without (a) at the same time or prior thereto securing the Notes equally and rateably therewith to the satisfaction of the Trustee or (b) providing such other security for the Notes as the Trustee may in its absolute discretion consider to be not materially less beneficial to the interests of the Noteholders or as may be approved by an Extraordinary Resolution of Noteholders.

6. **Fixed Rate Note Provisions**

- (a) *Application:* This Condition 6 is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.

- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments - Bearer Notes*) and Condition 11 (*Payments - Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Fixed Coupon Amount or Broken Amount:* The amount of interest payable per Calculation Amount for any Interest Period shall be the relevant Fixed Coupon Amount or Broken Amount (if applicable).
- (d) *Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount or Broken Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

7. **Floating Rate Note Provisions**

- (a) *Application:* This Condition 7 is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments - Bearer Notes*) and Condition 11 (*Payments - Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Screen Rate Determination:* the Rate of Interest applicable to the Notes for each Interest Period will be determined on the following basis.

- (i) **Term Rate**

If the relevant Final Terms specifies "Term Rate" to be "Applicable", the Rate of Interest applicable to the Notes for each Interest Period will, subject to Condition 7(d) (*Benchmark Discontinuation*), be determined by the Calculation Agent on the following basis:

- (A) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (B) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Final Terms, the Rate of Interest for such Interest

Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:

- (1) one rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
- (2) the other rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period,

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

(C) 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;

(D) if, in the case of (A) above, such rate does not appear on that page or, in the case of (C) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:

- (1) 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

- (2) determine the arithmetic mean of such quotations; and

(E) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the 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 Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period (until such time as an alternative method for determining the Rate of Interest shall be determined by the Issuer and a financial adviser (as appointed by the Issuer after consultation with the Trustee) with such determination being notified in writing by the Issuer to the Trustee and the Noteholders) (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or

Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period).

(ii) **Overnight Rate – Compounded Daily SONIA – Non-Index Determination**

This Condition 7(c)(ii) applies where the relevant Final Terms specifies: (1) "Overnight Rate" to be "Applicable", (2) "SONIA" as the Reference Rate; and (3) "Index Determination" to be "Not Applicable".

(A) The Rate of Interest applicable to the Notes for each Interest Period will, subject to Condition 7(d) (*Benchmark Discontinuation*) and as provided below, be Compounded Daily SONIA with respect to such Interest Period plus or minus (as specified in the relevant Final Terms) the applicable Margin (if any), all as determined by Principal Paying Agent or the Calculation Agent, as applicable, on each relevant Interest Determination Date.

(B) For the purposes of this Condition 7(c)(ii):

"Compounded Daily SONIA" means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as the reference rate for the calculation of interest) and will be calculated by the Principal Paying Agent or the Calculation Agent, as applicable, on each relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the Relevant Decimal Place):

$$\prod_{i=1}^{do} \left(1 + \frac{SONIA_i \times ni}{D} \right) - 1$$

where:

"**d**" is the number of calendar days in:

- (1) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (2) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**D**" is the number specified as such in the relevant Final Terms (or, if no such number is specified, 365);

"**do**" means the number of London Banking Days in:

- (1) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (2) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**i**" is a series of whole numbers from one to "**do**", each representing the relevant London Banking Day in chronological order from (and including) the first London Banking Day in:

- (1) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

- (2) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period,

to (and including) the last London Banking Day in such Interest Period, or as the case may be, such Observation Period;

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

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

"p" means, for any Interest Period, the whole number specified in the relevant Final Terms (or, if no such number is so specified, five, provided that a number lower than five may only be so specified by the Issuer with the prior agreement of the Principal Paying Agent or the Calculation Agent, as applicable) representing a number of London Banking Days;

"Relevant Decimal Place" shall, unless otherwise specified in the relevant Final Terms, be the fourth decimal place, with 0.00005 being rounded upwards;

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

"SONIA_i" means, in respect of any London Banking Day "i", the SONIA Reference Rate for:

- (1) where "Lag" is specified as the Observation Method in the relevant Final Terms, the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i"; or
- (2) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant London Banking Day "i".
- (C) If, in respect of any London Banking Day on which an applicable SONIA Reference Rate is required to be determined, the Principal Paying Agent or the Calculation Agent, as applicable, determines that the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors (or as otherwise provided in the relevant definition thereof) or as published on the Bank of England's website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA Reference Rate), such SONIA Reference Rate shall, subject to Condition 7(d) (*Benchmark Discontinuation*), be:

- (1) the sum of (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on such London Banking Day; and (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days in respect of which a SONIA Reference 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; or
 - (2) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, either (A) the SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day in respect of which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (B) if this is more recent, the latest rate determined under (1) above.
- (D) Subject to Condition 7(d) (*Benchmark Discontinuation*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 7(c)(ii), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin or any Maximum or Minimum Rate of Interest applicable to the first Interest Period).
- (E) If the relevant Series of Notes become due and payable in accordance with Condition 13 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, be deemed to be the date on which such Notes became so due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.

(iii) **Overnight Rate - Compounded Daily SOFR - Non-Index Determination**

This Condition 7(c)(iii) applies where the relevant Final Terms specifies: (1) "Overnight Rate" to be "Applicable"; (2) "SOFR" as the Reference Rate; and (3) "Index Determination" to be "Not Applicable".

- (A) The Rate of Interest applicable to the Notes for each Interest Period will, subject as provided below, be Compounded Daily SOFR with respect to such Interest Period plus or minus (as specified in the relevant Final Terms) the applicable Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable, on each relevant Interest Determination Date.
- (B) For the purposes of this Condition 7(c)(iii):

"Compounded Daily SOFR" means, with respect to any Interest Period, the rate of return of a daily compound interest investment (with the daily Secured Overnight Financing Rate as the interest rate basis for the calculation of interest) as calculated by the Principal Paying Agent or the Calculation Agent, as applicable, in accordance with the following formula on each Interest Determination Date (and the resulting percentage will be rounded, if necessary, to the Relevant Decimal Place):

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

where:

"d" is the number of calendar days in:

- (1) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (2) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"D" is the number specified as such in the relevant Final Terms (or, if no such number is specified, 360);

"d_o" is the number of U.S. Government Securities Business Days in:

- (1) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (2) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"i" is a series of whole numbers from one to "d_o", each representing the relevant U.S. Government Securities Business Day in chronological order from (and including) the first U.S. Government Securities Business Day in:

- (1) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (2) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

to (and including) the last U.S. Government Securities Business Day in such Interest Period or, as the case may be, such Observation Period;

"n_i" 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;

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

"p" means, for any Interest Period, the whole number specified in the relevant Final Terms (or, if no such number is so specified, five, provided that a number lower than five may only be so specified by the Issuer with

the prior agreement of the Principal Paying Agent or the Calculation Agent, as applicable) representing a number of U.S. Government Securities Business Days;

"**Relevant Decimal Place**" shall, unless otherwise specified in the relevant Final Terms, be the fifth decimal place, with 0.000005 being rounded upwards;

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

- (1) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at the SOFR Determination Time;
- (2) subject to Condition 7(c)(iii)(C) (*Floating Rate Note Provisions – Screen Rate Determination: Overnight Rate - Compounded Daily SOFR - Non-Index Determination*) below, if the rate specified in (1) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

"**SOFR_i**" means, in respect of any U.S. Government Securities Business Day "i", the SOFR for:

- (1) where "Lag" is specified in the relevant Final Terms as the Observation Method, the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i";
- (2) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant U.S. Government Securities Business Day "i";

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

"**SOFR Administrator's Website**" means the website of the SOFR Administrator, or any successor source;

"**SOFR Determination Time**" means, for any U.S. Government Securities Business Day, 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day; and

"**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.

If the relevant Series of Notes become due and payable in accordance with Condition 13 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, be deemed to be the date on which such Notes became so due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.

- (C) If the Issuer determines (which may be following consultation with the Independent Adviser) on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer (which may be following consultation with the Independent Adviser) will have the right to vary or amend the Conditions, the Notes, the Trust Deed and/or the Agency Agreement to implement or to give effect to the Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Noteholders or Couponholders.

For the avoidance of doubt, the Trustee and the relevant Agents, as applicable, shall (at the expense and direction of the Issuer), without any requirement for the consent or approval of the Noteholders or Couponholders, be obliged to use reasonable endeavours to effect such consequential amendments to the Trust Deed, the Agency Agreement and the Conditions as the Issuer determines (which may be following consultation with the Independent Adviser) and certifies (upon which certification the Trustee and the relevant Agents, as applicable, may rely without enquiry or liability) to the Trustee and the relevant Agents, as applicable, may be appropriate in order to give effect to this Condition 7(c)(iii)(C) and neither the Trustee nor the relevant Agents, as applicable, shall be liable to any party for any consequence thereof. Neither Noteholder nor Couponholder consent or approval shall be required in connection with the execution of any documents, amendments or other steps taken by the Trustee and/or the relevant Agents (if required and including where any such amendments may be prejudicial to the interests of Noteholders and/or Couponholders) and, provided the Trustee receives the certification referred to in the foregoing paragraph from the Issuer, the Trustee is deemed to have been instructed by all Noteholders and Couponholders to effect the relevant amendments. Notwithstanding any other provision of this Condition 7(c)(iii)(C), the Trustee and a relevant Agent, as applicable, shall not be obliged to agree to or implement any such Benchmark Replacement Conforming Changes if the same would, in the sole opinion of the Trustee and/or the relevant Agent (as applicable), have the effect of imposing more onerous obligations upon it or exposing it to any additional duties, responsibilities or liabilities against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or reducing the rights and/or the protective provisions afforded to the Trustee and/or the relevant Agent (as applicable) in the Conditions, the Notes, the Trust Deed and/or the Agency Agreement (including, for the avoidance of doubt, any supplemental trust deed or supplemental agency agreement) in any way.

Any determination, decision or election that may be made by the Issuer (which may be following consultation with the Independent Adviser) pursuant to this Condition 7(c)(iii)(C), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

- (1) will be conclusive and binding absent manifest error;
- (2) will be made in the sole discretion of the Issuer (which may be following consultation with the Independent Adviser); and

- (3) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the Noteholders, Couponholders or any other party.

"Benchmark" means, initially, Compounded Daily SOFR, as such term is defined above; provided that if the Issuer (which may be following consultation with the Independent Adviser) determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded Daily SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then **"Benchmark"** shall mean the applicable Benchmark Replacement;

"Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Issuer (which may be following consultation with the Independent Adviser) as of the Benchmark Replacement Date:

- (1) the sum of: (A) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (B) the Benchmark Replacement Adjustment;
- (2) the sum of: (A) the ISDA Fallback Rate and (B) the Benchmark Replacement Adjustment; or
- (3) the sum of: (A) the alternate rate of interest that has been selected by the Issuer (which may be following consultation with the Independent Adviser) as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (B) the Benchmark Replacement Adjustment;

"Benchmark Replacement Adjustment" means the first alternative set forth in the order below that can be determined by the Issuer (which may be following consultation with the Independent Adviser) as of the Benchmark Replacement Date:

- (1) 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;
- (2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer (which may be following consultation with the Independent Adviser) giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of

determining rates and making payments of interest, rounding of amounts, and other administrative matters) that the Issuer (which may be following consultation with the Independent Adviser) decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer (which may be following consultation with the Independent Adviser) decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer (which may be following consultation with the Independent Adviser) determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer (which may be following consultation with the Independent Adviser) determines is reasonably necessary);

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event" the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component thereof); or
- (2) in the case of clause (3) of the definition of "Benchmark Transition Event" the date of the public statement or publication of information referenced therein.

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

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

- (1) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component thereof) announcing that such administrator has ceased or will cease to provide the Benchmark (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 Benchmark (or such component thereof); or
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component thereof), the central bank for the currency of the Benchmark (or such component thereof), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component thereof), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component thereof) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark (or such component thereof), which states that the administrator of the Benchmark (or such component thereof) has ceased or will cease to provide the Benchmark (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 Benchmark (or such component thereof); or

- (3) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component thereof) announcing that the Benchmark (or such component thereof) is no longer representative;

"Independent Adviser" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer at its own expense;

"ISDA Definitions" means the 2021 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. (ISDA) and as amended and updated as at the Issue Date of the first Tranche of the Notes;

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

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

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

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

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

Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under this Condition 7(c)(iii)(C) will be notified promptly by the Issuer (which may be following consultation with the Independent Adviser) to the Trustee, the relevant Agents (as applicable) and, in accordance with Condition 20 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Trustee and the relevant Agents (as applicable) of the same, the Issuer shall deliver to the Trustee and the relevant Agents (as applicable) a certificate signed by an Authorised Signatory of the Issuer:

- (1) confirming (x) that a Benchmark Transition Event has occurred, (y) the relevant Benchmark Replacement and, (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 7(c)(iii)(C); and
- (2) certifying that the relevant Benchmark Replacement Conforming Changes are appropriate to ensure the proper operation of such

Benchmark Replacement and/or Benchmark Replacement Adjustment.

The Trustee and the relevant Agents (as applicable) shall be entitled to rely on such certificate (without liability to any person and without any obligation to verify or investigate the accuracy thereof) as sufficient evidence thereof.

If, in the case of any Benchmark Transition Event, Benchmark Replacement, Benchmark Replacement Adjustment and/or Benchmark Replacement Conforming Changes which are notified to the Principal Paying Agent or the Calculation Agent, as applicable, pursuant to this Condition 7(c)(iii)(C), the Principal Paying Agent or the Calculation Agent, as applicable, is in any way uncertain as to the application of such Benchmark Replacement, Benchmark Replacement Adjustment and/or Benchmark Replacement Conforming Changes in the calculation or determination of the Rate of Interest for future Interest Periods, it shall promptly notify the Issuer thereof and the Issuer (which may be following consultation with the Independent Adviser) shall direct the Principal Paying Agent or the Calculation Agent, as applicable, in writing as to which course of action to adopt in the application of such Benchmark Replacement, Benchmark Replacement Adjustment and/or Benchmark Replacement Conforming Changes in the determination of such Rate of Interest and the Principal Paying Agent or the Calculation Agent, as applicable, may rely on such direction (without enquiry or liability). If the Principal Paying Agent or the Calculation Agent, as applicable, is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Principal Paying Agent or the Calculation Agent, as applicable, shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

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

(iv) **Overnight Rate – SONIA/SOFR - Index Determination**

This Condition 7(c)(iv) applies where the relevant Final Terms specifies: (1) "Overnight Rate" to be "Applicable"; (2) "SONIA" or "SOFR" as the Reference Rate; and (3) "Index Determination" to be "Applicable".

(A) The Rate of Interest applicable to the Notes for each Interest Period will, subject to Condition 7(d) (*Benchmark Discontinuation*) (where the Reference Rate is SONIA) and Condition 7(c)(iii)(C) (*Floating Rate Note Provisions – Screen Rate Determination: Overnight Rate - Compounded Daily SOFR - Non-Index Determination*) (where the Reference Rate is SOFR) and as provided below, be the compounded daily reference rate

for the relevant Interest Period, calculated in accordance with the following formula on the relevant Interest Determination Date:

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

and rounded to the Relevant Decimal Place, plus or minus (as specified in the relevant Final Terms) the Margin (if any), all as determined and calculated by the Principal Paying Agent or the Calculation Agent, as applicable.

(B) In this Condition 7(c)(iv):

"Benchmark Event" has the meaning given to it in Condition 7(d)(vii) (*Floating Rate Note Provisions – Benchmark Discontinuation*);

"Benchmark Replacement Date" has the meaning given to it in Condition 7(c)(iii)(C) (*Floating Rate Note Provisions – Screen Rate Determination: Overnight Rate - Compounded Daily SOFR - Non-Index Determination*);

"Benchmark Transition Event" has the meaning given to it in Condition 7(c)(iii)(C) (*Floating Rate Note Provisions – Screen Rate Determination: Overnight Rate - Compounded Daily SOFR - Non-Index Determination*);

"Compounded Daily SONIA" has the meaning given to it in Condition 7(c)(ii)(B) (*Floating Rate Note Provisions – Screen Rate Determination: Overnight Rate - Compounded Daily SONIA - Non-Index Determination*);

"Compounded Index" shall mean the SONIA Compounded Index (where the Reference Rate is specified in the relevant Final Terms as being SONIA) or the SOFR Compounded Index (where the Reference Rate is specified in the relevant Final Terms as being SOFR), as the case may be;

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

"Compounded Index Start" means, in respect of an Interest Period, the relevant Compounded Index value on the day falling "p" Index Days prior to the first day of the relevant Interest Period;

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

"D" means, in the case of the SONIA Compounded Index, 365 and, in the case of the SOFR Compounded Index, 360, unless otherwise specified in the relevant Final Terms;

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

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

"p" means, for any Interest Period, the whole number specified in the relevant Final Terms (or, if no such number is so specified, five, provided that a number lower than five may only be so specified by the Issuer with the prior agreement of the Principal Paying Agent or the Calculation Agent, as applicable) representing a number of Index Days;

"**Relevant Decimal Place**" shall, unless otherwise specified in the relevant Final Terms, (a) in the case of the SONIA Compounded Index, be the fourth decimal place (with 0.00005 being rounded upwards) and (b) in the case of the SOFR Compounded Index, be the fifth decimal place (with 0.000005 being rounded upwards);

"**SOFR Compounded Index**" means the Compounded Daily SOFR rate as published at 3.00 p.m. (New York time) by Federal Reserve Bank of New York (or a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source;

"**SONIA Compounded Index**" means the Compounded Daily SONIA rate as published at 10.00 a.m. (London time) by the Bank of England (or a successor administrator of SONIA) on the Bank of England's Interactive Statistical Database, or any successor source; and

"**U.S. Government Securities Business Day**" has the meaning given to it in Condition 7(c)(iii) (*Floating Rate Note Provisions – Screen Rate Determination: Overnight Rate - Compounded Daily SOFR - Non-Index Determination*).

- (C) Provided that a Benchmark Event has not occurred in respect of SONIA or a Benchmark Transition Event and its related Benchmark Replacement Date has not occurred in respect of SOFR, as the case may be, if, with respect to any Interest Period, the relevant rate is not published for the relevant Compounded Index either on the relevant Compounded Index Start or Compounded Index End date, then the Principal Paying Agent or the Calculation Agent, as applicable, shall calculate the rate of interest for that Interest Period as if "Index Determination" was specified in the relevant Final Terms as "Not Applicable", and in each case "Observation Shift" had been specified in the relevant Final Terms as the Observation Method and, in the case of SONIA, the Relevant Screen Page will be determined by the Issuer. For the avoidance of doubt, if a Benchmark Event has occurred in respect of SONIA, the provisions of Condition 7(d) (*Benchmark Discontinuation*) shall apply and, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of SOFR, the provisions of Condition 7(c)(iii)(C) (*Floating Rate Note Provisions – Screen Rate Determination: Overnight Rate - Compounded Daily SOFR - Non-Index Determination*) shall apply.
 - (D) If the relevant Series of Notes become due and payable in accordance with Condition 13 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Final Terms, be deemed to be the date on which such Notes became so due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date and as if (solely for the purpose of such interest determination) the relevant Interest Period had been shortened accordingly.
- (d) *Benchmark Discontinuation*: Notwithstanding the foregoing provisions of this Condition 7(d) applies where the relevant Final Terms specifies: (1) "Floating Rate Note Provisions" to be "Applicable" and (2) the "Reference Rate" to be anything other than SOFR.
- (i) *Independent Adviser*: If the Issuer determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or

any component part thereof) remains to be determined by reference to such Original Reference Rate the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser, as soon as reasonably practicable, to advise the Issuer in determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 7(d)(ii)(B) (*Benchmark Discontinuation: Successor Rate or Alternative Rate*)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 7(d)(iv) (*Benchmark Discontinuation: Benchmark Amendments*)) for the purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 7(d)). In making such determination, the Issuer shall act in good faith. In the absence of bad faith or fraud, the Issuer shall have no liability whatsoever to the Trustee, the Paying Agents, the Noteholders or the Couponholders for any determination made by it, pursuant to this Condition 7(d).

If (i) the Issuer is unable to appoint an Independent Adviser, (ii) the Issuer fails to determine a Successor Rate or, failing which, an Alternative Rate, in each case together with an Adjustment Spread, in accordance with this Condition 7(d)(i) or Condition 7(d)(ii) (*Benchmark Discontinuation: Successor Rate or Alternative rate*) prior to the relevant Interest Determination Date or (iii) the Issuer determines that there is neither a Successor Rate nor an Alternative Rate, in each case the Rate of Interest applicable to the next succeeding Interest Period shall be determined in accordance with Condition 7(c) (*Floating Rate Note Provisions: Screen Rate Determination*) (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period). For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 7(d)(i).

- (ii) ***Successor Rate or Alternative Rate:*** If the Issuer, following consultation with the Independent Adviser, determines that:
 - (A) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent operation of, this Condition 7(d); or
 - (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent operation of this Condition 7(d).
- (iii) ***Adjustment Spread:*** The applicable Adjustment Spread (or the formula or methodology for determining, the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be).
- (iv) ***Benchmark Amendments:*** If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 7(d) and the Issuer, following consultation with the Independent Adviser, determines (i) that amendments to the Conditions, the Agency Agreement and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread or to follow established market practice in respect of such Successor Rate, Alternative Rate and/or Adjustment Spread (any such amendments, the

"**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall use all reasonable endeavours, subject to giving notice thereof in accordance with Condition 7(d)(v) (*Benchmark Discontinuation: Notices*), without any requirement for the consent or approval of Noteholders or Couponholders, to vary or amend the Conditions, the Notes, the Agency Agreement and/or the Trust Deed to implement or to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request and expenses of the Issuer, but subject to receipt by the Trustee and the relevant Agents of a certificate signed by two Directors of the Issuer pursuant to Condition 7(d)(v) (*Benchmark Discontinuation: Notices*), the Trustee and the relevant Agents shall (at the expense and direction of the Issuer), without any requirement for the consent or approval of the Noteholders or Couponholders, be obliged to use reasonable endeavours to effect any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed and/or the Agency Agreement) and neither the Trustee nor a relevant Agent (as applicable) shall be liable for any consequence thereof. Neither Noteholder nor Couponholder consent shall be required in connection with the execution of any documents, amendments or other steps taken by the Trustee and/or the relevant Agents (if required and including where any such amendments may be prejudicial to the interests of Noteholders and/or Couponholders) and, provided the Trustee receives the certification referred to in the foregoing paragraph from the Issuer, the Trustee is deemed to have been instructed by all Noteholders and Couponholders to effect the relevant amendments. Notwithstanding the above, neither the Trustee nor a relevant Agent (as applicable) shall be obliged to agree to any amendments which, in the sole opinion of the Trustee or the relevant Agent (as applicable, would have the effect of imposing more onerous obligations upon it or exposing it to any additional duties, responsibilities or liabilities against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or reducing the rights and/or the protective provisions afforded to the Trustee or the relevant Agent in the Conditions, the Notes, the Trust Deed or the Agency Agreement (including, for the avoidance of doubt, any supplemental trust deed or supplemental agency agreement) in any way.

In connection with any such variation in accordance with this Condition 7(d)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

- (v) *Notices*: Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 7(d) will be notified promptly by the Issuer to the Trustee, the relevant Agents and, in accordance with Condition 20 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee and the relevant Agents of the same, and prior to any such Benchmark Amendments taking effect, the Issuer shall deliver to the Trustee and the relevant Agents a certificate signed by two Directors of the Issuer:

- (A) confirming (a) that a Benchmark Event has occurred, (b) the Successor Rate or, as the case may be, the Alternative Rate, (c) the applicable Adjustment Spread and (d) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 7(d); and
- (B) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread or to follow

established market practice in respect of such Successor Rate, Alternative Rate and/or Adjustment Spread.

The Trustee and the relevant Agents shall be entitled to rely on such certificate (without liability to any person and without any obligation to verify or investigate the accuracy thereof) as sufficient evidence thereof. For the avoidance of doubt, each of the Trustee and the Principal Paying Agent shall not be liable to the Noteholders or any other person for so acting or relying on such certificate, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any)) be binding on the Issuer, the Trustee, the Agents, the Noteholders and the Couponholders.

(vi) Principal Paying Agent and/or Calculation Agent Instruction Request: Notwithstanding any other provision of this Condition 7(d), if following the determination of any Successor Rate, Alternative Rate, Adjustment Spread or any specific terms of any Benchmark Amendments, in the Principal Paying Agent's or the Calculation Agent's (as applicable) opinion, there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 7(d), the Principal Paying Agent or the Calculation Agent, as applicable, shall promptly notify the Issuer thereof and the Issuer shall direct the Principal Paying Agent or the Calculation Agent, as applicable, in writing as to which alternative course of action to adopt and the Principal Paying Agent or the Calculation Agent, as applicable, may rely on such direction (without enquiry or liability). If the Principal Paying Agent or the Calculation Agent, as applicable, is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Principal Paying Agent or the Calculation Agent, as applicable, shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

(vii) In this Condition 7(d):

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

- (A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body or (if no such recommendation has been made, or in the case of an Alternative Rate);
- (B) the Issuer, following consultation with the Independent Adviser, determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate or (if the Issuer determines that no such spread is customarily applied);
- (C) the Issuer, following consultation with the Independent Adviser, determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be) or (if the Issuer determines that no such industry standard is recognised or acknowledged); or

- (D) the Issuer, in its discretion, following consultation with the Independent Adviser and acting in good faith, determines to be appropriate;

"Alternative Rate" means an alternative benchmark or screen rate which the Issuer following consultation with the Independent Adviser determines in accordance with Condition 7(d)(ii) (*Benchmark Discontinuation: Successor Rate or Alternative rate*) is customarily applied in debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes or, if the Issuer determines that there is no such rate, such other rate as the Issuer determines following consultation with the Independent Adviser in its discretion is most comparable to the Original Reference Rate;

"Benchmark Amendments" has the meaning given to it in Condition 7(d)(iv) (*Benchmark Discontinuation: Benchmark Amendments*);

"Benchmark Event" means:

- (A) the Original Reference Rate ceasing to be published for a period of at least five consecutive Business Days or ceasing to exist or be administered; or
- (B) the later of (a) the making of a public statement by the administrator of the Original Reference Rate that it has ceased or that it will (on or before a specified date) cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (b) the date falling six months prior to the date specified in (a); or
- (C) the later of (a) the making of a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be (on or before a specified date) permanently or indefinitely discontinued and (b) the date falling six months prior to the date specified in (a); or
- (D) the later of (a) the making of a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be (on or before a specified date) prohibited from being used either generally or in respect of the Notes and (b) the date falling six months prior to the date specified in (a); or
- (E) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative of an underlying market; or
- (F) it has become unlawful, or will become unlawful prior to the next Interest Determination Date for any Paying Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate;

"Independent Adviser" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer at its own expense under Condition 7(d)(i) (*Benchmark Discontinuation: Independent Adviser*), provided that the Issuer shall not appoint the Principal Paying Agent (in its capacity as such) for this purpose;

"Original Reference Rate" means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes or any Successor Rate or Alternative Rate (or component part thereof) determined pursuant to this Condition 7(d);

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

- (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof; and

"Successor Rate" means a successor to or replacement of the Original Reference Rate which is formally published, endorsed, approved recognised or recommended by any Relevant Nominating Body.

(e) *Maximum Rate of Interest and/or Minimum Rate of Interest:*

If the relevant Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 7(c) (*Floating Rate Note Provisions – Screen Rate Determination*) above is more than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

If the relevant Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of Condition 7(c) (*Floating Rate Note Provisions – Screen Rate Determination*) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

- (f) *Calculation of Interest Amount:* The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (g) *Publication:* The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

8. **Zero Coupon Note Provisions**

- (a) *Application:* This Condition 8 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Late payment on Zero Coupon Notes:* If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:
 - (i) the Reference Price; and
 - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

9. **Redemption and Purchase**

- (a) *Scheduled redemption:* Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 10 (*Payments - Bearer Notes*) and Condition 11 (*Payments - Registered Notes*).
- (b) *Redemption for tax reasons:* The Notes may be redeemed at the option of the Issuer in whole, but not in part:
 - (i) at any time (unless the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable); or
 - (ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders, or such other period(s) as may be specified in the relevant final terms, (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to (but excluding) the date fixed for redemption, if, immediately before giving such notice, the Issuer satisfies the Trustee that the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes; and (2) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

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

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

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver or procure that there is delivered to the Trustee (i) a certificate signed by two Officers stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions to the right of the Issuer so to redeem have occurred and (ii) an opinion of independent legal or tax advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of the relevant change or amendment as referred to above.

The Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the circumstances set out above, in which event it shall be conclusive and binding on the Noteholders and Couponholders.

Upon the expiry of any such notice as is referred to in this Condition 9(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 9(b).

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

- (i) If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 30 nor more than 60 days' notice to the Noteholders, or such other period(s) as may be specified in the relevant Final Terms (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call), together with interest accrued (if any) to (but excluding) such date).
- (ii) If the Clean-up Call Option is specified in the relevant Final Terms as being applicable, if, at any time, 80 per cent. or more in principal amount of the Notes originally issued (and, for these purposes, any further notes issued pursuant to Condition 19 (*Further Issues*) so as to form a single series with the Notes shall be deemed to have been originally issued) have been redeemed or purchased by the Issuer or any of its Subsidiaries in accordance with these Conditions, the Issuer may, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable and shall specify the date for redemption or purchase), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at their principal amount, together with interest accrued (if any) to (but excluding) the date fixed for such redemption or purchase.

In these Conditions:

"Optional Redemption Amount (Call)" means:

- (i) in relation to any Optional Redemption Date (Call) which falls in the period from (and excluding) the date falling three months prior to the Maturity Date to (and including) the Maturity Date, the principal amount of the Notes plus accrued interest (if any) to (but excluding) such date; or
 - (ii) in relation to any Optional Redemption Date (Call) which falls in the period from (and including) the Issue Date to (and including) the date falling three months prior to the Maturity Date, the higher of (x) the principal amount of the Notes and (y) the Make-Whole Amount, plus accrued interest (if any) to (but excluding) such date; or
 - (iii) such other amount as may be specified in the relevant Final Terms.
- (d) *Partial redemption:* If the Notes are to be redeemed in part only on any date in accordance with Condition 9(c) (*Redemption at the option of the Issuer*), in the case of Bearer Notes,

the Notes to be redeemed shall be selected by the drawing of lots, in such place as the Trustee approves and in such manner as the Trustee considers appropriate, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 9(c) (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed, and, in the case of Registered Notes, each Note shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Notes to be redeemed on the relevant Optional Redemption Date (Call) bears to the aggregate principal amount of outstanding Notes on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant 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.

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

with this Condition 9(f), the depositor of such Note and not such Paying Agent shall be deemed to be the Holder of such Note for all purposes.

A "**Change of Control Put Event**" will occur if:

- (i) any person or any persons acting in concert (as defined in the City Code on Takeovers and Mergers), other than a holding company (as defined in Section 1159 of the Companies Act 2006 as amended) whose shareholders are or are to be substantially similar to the pre-existing shareholders of the Issuer or any holding company of the Issuer, shall become interested (within the meaning of Part 22 of the Companies Act 2006 as amended) in (A) more than 50 per cent. of the issued or allotted ordinary share capital of the Issuer or (B) shares in the capital of the Issuer carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of the Issuer (each such event being a "**Change of Control**") **provided that** a Change of Control shall not be deemed to have occurred if the relevant event which would otherwise have resulted in a Change of Control has been approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders; and
- (ii) on the date (the "**Relevant Announcement Date**") that is the earlier of (1) the date of the first public announcement of the relevant Change of Control and (2) the date of the earliest Potential Change of Control Announcement (if any), the Notes carry:
 - (A) an investment grade credit rating (Baa3/BBB-, or equivalent, or better) from any Rating Agency (provided by such Rating Agency at the invitation of the Issuer), and such rating from any Rating Agency is within the Change of Control Period either downgraded to a non-investment grade credit rating (Ba1/BB+, or equivalent, or worse) or withdrawn and is not within the Change of Control Period subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated, in either case, to an investment grade credit rating by such Rating Agency; or
 - (B) a non-investment grade credit rating (Ba1/BB+, or equivalent, or worse) from any Rating Agency (provided by such Rating Agency at the invitation of the Issuer), and such rating from any Rating Agency is within the Change of Control Period downgraded by one or more notches (for illustration, Ba1/BB+ to Ba2/BB being one notch) or withdrawn and is not within the Change of Control Period subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated, in either case, to its earlier credit rating or better by such Rating Agency; or
 - (C) no credit rating and a Negative Rating Event also occurs within the Change of Control Period,provided that if on the Relevant Announcement Date the Notes carry a credit rating from more than one Rating Agency, at least one of which is investment grade, then sub-paragraph (A) will apply; and
- (iii) in making any decision to downgrade or withdraw the rating pursuant to paragraph (A) or (B) above, the relevant Rating Agency announces publicly or confirms in writing to the Issuer or the Trustee that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control or the Potential Change of Control Announcement. Upon receipt by the Issuer or the Trustee of any such written confirmation (or upon receipt by the Issuer of a copy of such written notification from the Trustee), the Issuer shall forthwith give notice of such written confirmation to the Noteholders in accordance with Condition 20 (*Notices*).

If the rating designations employed by any of S&P, Moody's or Fitch are changed from those which are described in paragraph (ii) of the definition of "Change of Control Put Event" above, the Issuer shall determine the rating designations of S&P, Moody's or Fitch

(as appropriate) as are most equivalent to the prior rating designations of S&P, Moody's or Fitch and this Condition 9(f) shall be construed accordingly.

Promptly upon the Issuer becoming aware that a Change of Control Put Event has occurred, and in any event within 14 days of the occurrence of the relevant Change of Control Put Event, the Issuer shall and, at any time upon the Trustee becoming similarly aware, the Trustee may, if so requested by the Holders of at least one-quarter of the aggregate principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution, shall, (subject in each case to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction) give a notice ("**Change of Control Put Event Notice**") to the Noteholders in accordance with Condition 20 (*Notices*) specifying the nature of the relevant Change of Control Put Event and the procedure for exercising the Change of Control Put Option.

The Trustee is under no obligation to ascertain whether a Change of Control or a Change of Control Put Event or any event which could lead to the occurrence of or could constitute a Change of Control or Change of Control Put Event has occurred, and, until it shall have notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control or Change of Control Put Event or other such event has occurred.

If 80 per cent. or more in principal amount of the Notes then outstanding have been redeemed or purchased pursuant to this Condition 9(f), the Issuer may, on giving not less than 30 nor more than 60 days' notice to the Noteholders (such notice being given within 30 days after the Change of Control Put Date), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at their principal amount, together with interest accrued to (but excluding) the date fixed for such redemption or purchase.

In this Condition 9(f):

"Change of Control Put Date" means the date specified as such in the relevant Change of Control Put Event Notice;

"Change of Control Period" means the period commencing on the Relevant Announcement Date and ending 120 days after the Change of Control or, where a Rating Agency has publicly announced that the Notes are under consideration for rating review or, as the case may be, rating (such public announcement being within the period ending 120 days after the Change of Control), the later of (i) such 120th day after the Change of Control and (ii) the date falling 60 days after such public announcement;

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

"Potential Change of Control Announcement" means any public announcement or statement by the Issuer or any actual or potential bidder or any adviser thereto relating to any potential Change of Control where within 180 days following the date of such announcement or statement, a Change of Control occurs; and

"Rating Agencies" means each of Fitch Ratings Limited ("**Fitch**"), Moody's Investors Service Ltd ("**Moody's**") or S&P Global Ratings Europe Limited ("**S&P**") and their respective successors to their ratings business.

- (g) *No other redemption:* The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) to (f) above.

- (h) *Early redemption of Zero Coupon Notes:* Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:
- (i) the Reference Price; and
 - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

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

- (i) *Purchase:* The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, **provided that** (in the case of Bearer Notes) all unmatured Coupons are purchased therewith.
- (j) *Cancellation:* All Notes so redeemed or purchased by the Issuer or any of its Subsidiaries and any unmatured Coupons attached to or surrendered with Bearer Notes shall be cancelled and may not be reissued or resold.

10. **Payments - Bearer Notes**

This Condition 10 is only applicable to Bearer Notes.

- (a) *Principal:* Payments of principal shall be made only against presentation and (**provided that** payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.
- (b) *Interest:* Payments of interest shall, subject to paragraph (h) below, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) above.
- (c) *Payments in New York City:* Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.
- (d) *Payments subject to fiscal laws:* All payments in respect of the Bearer Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

- (e) *Deductions for unmatured Coupons:* If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented without all unmatured Coupons relating thereto:
- (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **provided, however, that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
 - (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
 - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; **provided, however, that** where this subparagraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
 - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **provided, however, that**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

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

- (f) *Unmatured Coupons void:* If the relevant Final Terms specifies that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 9(b) (*Redemption for tax reasons*), Condition 9(e) (*Redemption at the option of Noteholders*), Condition 9(f) (*Redemption or purchase on Change of Control*), Condition 9(c) (*Redemption at the option of the Issuer*) or Condition 13 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.
- (g) *Payments on business days:* If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the Holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
- (h) *Payments other than in respect of matured Coupons:* Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by paragraph (c) above).
- (i) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
- (j) *Exchange of Talons:* On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Principal

Paying Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 14 (*Prescription*)). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

11. **Payments - Registered Notes**

This Condition 11 is only applicable to Registered Notes.

- (a) *Principal*: Payments of principal shall be made, upon application by a Holder of a Registered Note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (b) *Interest*: Payments of interest shall be made, upon application by a Holder of a Registered Note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (c) *Payments subject to fiscal laws*: All payments in respect of the Registered Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders in respect of such payments.
- (d) *Payments on business days*: Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not Payment Business Day, for value the next succeeding Payment Business Day) will be initiated (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from the due date for a payment not being a Payment Business Day.
- (e) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.
- (f) *Record date*: Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment.

12. Taxation

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

- (i) held by or on behalf of a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of it having some connection with the relevant Tax Jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or
- (ii) where the relevant Note or Coupon or Note Certificate is presented or surrendered for payment more than 30 days after the Relevant Date except to the extent that the Holder of such Note or Coupon would have been entitled to such additional amounts on presenting or surrendering such Note or Coupon or Note Certificate for payment on the last day of such period of 30 days.

Notwithstanding anything to the contrary in the preceding paragraph, none of the Issuer, any Paying Agent or any other person shall be required to pay any additional amounts with respect to any withholding or deduction imposed on or in respect of any Note pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

13. Events of Default

If any of the following events occurs and is continuing, then the Trustee at its discretion may and, if so requested in writing by Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject, in the case of the happening of any of the events mentioned in paragraphs (b) (*Breach of other obligations*), (e)(iii) and (e)(iv) (*Insolvency, etc.*), and (g) (*Analogous event*), below, to the Trustee having certified in writing that the happening of such event is in its opinion materially prejudicial to the interests of the Noteholders and, in all cases, to the Trustee having been indemnified and/or provided with security and/or prefunded to its satisfaction) give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their Early Termination Amount together with accrued interest (if any) without further action or formality:

- (a) *Non-payment:* the Issuer fails to pay any amount of principal in respect of the Notes within seven days of the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within 14 days of the due date for payment thereof; or
- (b) *Breach of other obligations:* the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes or the Trust Deed and such default (i) is, in the opinion of the Trustee, incapable of remedy or (ii) being a default which is, in the opinion of the Trustee, capable of remedy, remains unremedied for 45 days or such longer period as the Trustee may agree after the Trustee has given written notice thereof to the Issuer; or

- (c) *Cross-acceleration of Issuer or Material Subsidiaries:*
- (i) any Indebtedness of the Issuer or any Material Subsidiary is not paid when due or (as the case may be) within any originally applicable grace period;
 - (ii) any Indebtedness of the Issuer or any Material Subsidiary becomes due and payable prior to its stated maturity as a result of an event of default in relation to such Indebtedness howsoever described; or
 - (iii) the Issuer or any Material Subsidiary fails to pay when due, or (as the case may be) within any originally applicable grace period, any amount payable by it under any Guarantee of any Indebtedness,

provided that the amount of Indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above and/or the amount payable under any Guarantee referred to in sub-paragraph (iii) above individually or in the aggregate exceeds the greater of £50,000,000 (or its equivalent in any other currency or currencies) and 2 per cent. of Consolidated Total Assets; or

- (d) *Security enforced:* a secured party takes possession, or an application is made (or documents filed with a court) for the appointment of a receiver, manager or other similar official, or a receiver, manager or other similar officer is appointed, of (i) the whole or a substantial part of the undertaking, assets and revenues of the Issuer; or (ii) the whole or substantially the whole of the undertaking, assets and revenues of a Material Subsidiary and, in either case, is not discharged within a period of 45 days after the date(s) thereof; or
- (e) *Insolvency, etc:* (i) the Issuer or a Material Subsidiary becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator is appointed in respect of the Issuer or any Material Subsidiary or, as the case may be, the whole or substantially the whole of the undertaking, assets and revenues of the Issuer or a Material Subsidiary, (iii) the Issuer or a Material Subsidiary takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors (or any class of its creditors) or declares a moratorium in respect of any of its Indebtedness or any Guarantee of any Indebtedness given by it or (iv) the Issuer or a Material Subsidiary ceases or threatens to cease to carry on all or substantially the whole of its business, otherwise than, in each case for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent (other than in the case of the Issuer) or on terms approved in writing by the Trustee or by an Extraordinary Resolution; or
- (f) *Winding up etc:* an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or a Material Subsidiary, otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent (other than in the case of the Issuer) or on terms approved in writing by the Trustee or by an Extraordinary Resolution; or
- (g) *Analogous event:* any event occurs which under the laws of the jurisdiction of incorporation of the Issuer or a Material Subsidiary has an analogous effect to any of the events referred to in paragraphs (d) to (f) above.

A certificate signed by two Officers certifying 2 per cent. of Consolidated Total Assets provided for in Condition 13(c) (*Cross-acceleration of Issuer or Material Subsidiaries*) has been met may be relied upon by the Trustee without liability and without further enquiry or evidence, and if relied upon by the Trustee, shall, in the absence of manifest error, be conclusive and binding on all parties.

14. **Prescription**

Claims for principal in respect of Bearer Notes shall become void unless the relevant Bearer Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest in respect of Bearer Notes shall become void unless the relevant

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

15. Replacement of Notes and Coupons

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

16. Trustee and Agents

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility and liability towards the Issuer, the Noteholders and the Couponholders, including (i) provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction and (ii) provisions limiting or excluding its liability in certain circumstances. The Trust Deed provides that, when determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled (i) to evaluate its risk in any given circumstance by considering the worst-case scenario and (ii) to require that any indemnity or security given to it by the Noteholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or any of the Issuer's Subsidiaries and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any of the Issuer's Subsidiaries, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Noteholders as a class but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for in Condition 12 (*Taxation*) and/or any undertaking given in addition to, or in substitution for, Condition 12 (*Taxation*) pursuant to the Trust Deed.

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

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

The initial Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right (with the prior approval of the Trustee) at any time to vary or terminate the appointment of any Agent and to appoint a successor principal paying agent or registrar or Calculation Agent and additional or successor paying agents; **provided, however, that:**

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

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

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

- (a) *Meetings of Noteholders:* The Trust Deed contains provisions for convening meetings of Noteholders to consider any matters relating to their interests, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer or by the Trustee and shall be convened by the Issuer upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, one or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; **provided, however, that** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

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

- (b) *Modification and waiver:* The Trustee may, without the consent of the Noteholders, agree to any modification of these Conditions or the Trust Deed (other than in respect of a

Reserved Matter) which is, in the opinion of the Trustee, proper to make if, in the opinion of the Trustee, such modification is not materially prejudicial to the interests of Noteholders and to any modification of the Notes or the Trust Deed which is of a formal, minor or technical nature or is to correct a manifest error.

In addition, the Trustee may, without the consent of the Noteholders, authorise or waive any proposed breach or breach of the Notes or the Trust Deed (other than a proposed breach or breach relating to the subject of a Reserved Matter) or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such if, in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

In addition the Trustee shall be obliged to concur with the Issuer in effecting any amendments to the interest calculation provisions and provisions related thereto of the Notes in the circumstances and as otherwise set out in Condition 7(d) (*Floating Rate Note Provisions - Benchmark Discontinuation*) without the requirement for the consent or sanction of the Noteholders or Couponholders.

Any modification, abrogation, waiver, authorisation, determination or substitution pursuant to this Condition 17(b) or Condition 17(c) (*Substitution*) shall be binding on the Noteholders and the Couponholders and, unless the Trustee agrees otherwise, shall be notified to the Noteholders as soon as practicable thereafter in accordance with the Conditions.

- (c) *Substitution*: The Trust Deed contains provisions under which any (i) Holding Company of the Issuer, (ii) Subsidiary of the Issuer, or (iii) Successor in Business of the Issuer may, without the consent of the Noteholders, assume the obligations of the Issuer as principal debtor under the Trust Deed and the Notes **provided that** certain conditions specified in the Trust Deed are fulfilled, including the Trustee being satisfied that the substitution is not materially prejudicial to the interests of the Noteholders.

18. **Enforcement**

The Trustee may at any time, at its discretion and without notice, institute such proceedings and/or other steps or action (including lodging an appeal in any proceedings) as it thinks fit to enforce its rights under the Trust Deed in respect of the Notes or otherwise, but it shall not be bound to do so unless:

- (i) it has been so requested in writing by the Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or has been so directed by an Extraordinary Resolution; and
- (ii) it has been indemnified and/or provided with security and/or prefunded to its satisfaction.

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

No Noteholder or Couponholder shall be entitled to (i) take any steps or action against the Issuer to enforce the performance of any of the provisions of the Trust Deed, the Notes or the Coupons or (ii) take any other proceedings (including lodging an appeal in any proceedings) in respect of or concerning the Issuer, in each case unless the Trustee, having become bound so to take any such action, steps or proceedings, fails so to do within a reasonable period and the failure shall be continuing.

19. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders and in accordance with the Trust Deed, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes. The Issuer may from time to time, with the consent of the Trustee, create and issue other series of notes having the benefit of the Trust Deed.

20. **Notices**

- (a) *Bearer Notes*: Notices to the Holders of Bearer Notes shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Holders of Bearer Notes.
- (b) *Registered Notes*: Notices to the Holders of Registered Notes shall be sent to them (i) by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register or (ii), if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given, in the case of (i) above, on the second day after the date of mailing or, in the case of (ii) above, on the date of first publication.
- (c) The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading.

21. **Currency Indemnity**

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

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

22. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any

other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

23. **Governing Law and Jurisdiction**

- (a) *Governing law:* The Notes and the Trust Deed and all non-contractual obligations arising out of or in connection with the Notes and the Trust Deed are governed by English law.
- (b) *Jurisdiction:* The Issuer has in the Trust Deed (i) agreed for the benefit of the Trustee and the Noteholders that the courts of England shall have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes and; (ii) agreed that those courts are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue that any other courts are more appropriate or convenient.

FORM OF FINAL TERMS

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

[PROHIBITION OF SALES TO UK RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is not a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") ("**UK MiFIR**"). Consequently no key information document required by Regulation (EU) No. 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

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

[UK MiFIR II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook and professional clients, as defined in UK MiFIR; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "**UK distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in section 309A(1) of the SFA), that the Notes are [prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)]/[capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment

Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products)].¹

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.

Final Terms dated [•]

Babcock International Group PLC

LEI: 213800TSKOLX4EU6L377

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

under the £3,000,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the "**Conditions**") set forth in the Base Prospectus dated [•] 2026] [and the supplemental Base Prospectus[es] dated [•]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (the "**PRM**"). This document constitutes the Final Terms of the Notes described herein for the purposes of the PRM and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information. The Base Prospectus has been published on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/marketnews/market-news-home.html>.]

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the "**Conditions**") set forth in the Base Prospectus dated [•] [and the supplement to it dated [•]] which are incorporated by reference in the Base Prospectus dated [•]] 2026. This document constitutes the Final Terms of the Notes described herein for the purposes of [the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (the "**PRM**")]] and must be read in conjunction with the Base Prospectus dated [•] 2026 [and the supplemental Base Prospectus dated [•]] which [together] constitute[s] a prospectus (the "**Base Prospectus**") for the purposes of the PRM in order to obtain all the relevant information, including the Conditions incorporated by reference in the Base Prospectus. The Base Prospectus has been published on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/marketnews/market-news-home.html>.]

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus.

- | | | | |
|----|--------|--|---|
| 1. | (i) | Issuer: | [•] |
| 2. | (i) | Series Number: | [•] |
| | (ii) | Tranche Number: | [•] |
| | [(iii) | Date on which the Notes become fungible: | [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [•] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 22 below [which is expected to occur on or about [•]].] |

¹ If the Notes are to be offered into Singapore and are not vanilla fixed rate or floating rate notes, the product classification of the Notes as "prescribed capital markets products" under the SFA may need to be reassessed.

3. Specified Currency or Currencies: [•]
4. Aggregate Nominal Amount: [•]
- [(i)] Series: [•]
- [(ii)] Tranche: [•]
5. Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [•]]
- (i) Specified Denominations: [•] [and integral multiples of [•] in excess thereof up to and including [•]. No notes in definitive form will be issued with a denomination above [•]]
- (ii) Calculation Amount: [•]
6. (i) Issue Date: [•]
- (ii) Interest Commencement Date: [[•]/Issue Date/Not Applicable]
7. Maturity Date: [•]
8. Interest Basis: [[•] per cent. Fixed Rate]
- [[•] month [EURIBOR]/[BBSW]]/[SONIA]/[SOFR]
+/- [•] per cent. Floating Rate]
- [Zero Coupon]
- (further particulars specified below in paragraph(s) [13/14/15])
9. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100] per cent. of their nominal amount.
10. Change of Interest or Redemption Basis: [Applicable/Not Applicable]
11. Put/Call Options: [Not Applicable]
- [Investor Put]
- [Issuer Call]
- [Change of Control Put Option]
- [See paragraph [16/17/18] below)]
12. [Date [Board] approval for issuance of Notes obtained: [•]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
- (i) Rate[(s)] of Interest: [•] per cent. per annum [payable in arrear] on each Interest Payment Date

- (ii) Interest Payment Date(s): [[•] [and [•]] in each year up to and including the Maturity Date][adjusted in accordance with [•]/not adjusted]
- (iii) Fixed Coupon Amount(s): [•] per Calculation Amount
- (iv) Broken Amount(s): [•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]/[Not Applicable]
- (v) Day Count Fraction: [Actual/Actual (ICMA) / Actual/365 / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360 (ISDA)]
14. **Floating Rate Note Provisions** [Applicable/Not Applicable]
- (i) Specified Period: [•]
- (ii) Specified Interest Payment Dates: [•] in each year [adjusted in accordance with [•] / not adjusted]
- (iii) [First Interest Payment Date]: [•]
- (iv) Business Day Convention: [Following Business Day Convention / Modified Following Business Day Convention / Modified Business Day Convention / Preceding Business Day Convention / Floating Rate Convention / FRN Convention / Eurodollar Convention / No Adjustment]
- (v) Additional Business Centre(s): [Not Applicable/[•]]
- (vi) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Principal Paying Agent): [[•] shall be the Calculation Agent]
- (vii) Screen Rate Determination:
- Reference Rate: [SONIA]
[SOFR]
[•] month [EURIBOR/BBSW]
 - Term Rate [Applicable/Not Applicable]
 - Overnight Rate [Applicable/Not Applicable]
 - Index Determination [Applicable/Not Applicable]
 - D: [360/365/[•]] / [Not Applicable]
 - Observation Method: [Lag/Observation Shift/Not Applicable]

- p: [5 / [•]] [London Banking Days] [U.S. Government Securities Business Days] [Not Applicable]

(NB: A minimum of 5 London Banking Days if SONIA and 5 U.S. Government Securities Business Days if SOFR, should be specified, unless otherwise agreed with the Principal Paying Agent or Calculation Agent, as applicable)
 - Relevant Decimal Place: [4/5[•]]

(In the case of SONIA, a number of decimal places lower than four, and, in the case of SOFR, a number of decimal places less than five, may not be specified in the relevant Final Terms unless agreed with the Principal Paying Agent)
 - Interest Determination Date(s): [•]
 - Relevant Screen Page: [•]
 - [Relevant Time: [•]
 - Relevant Financial Centre: [•]]
- (viii) Linear Interpolation: [Not Applicable / Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
- (ix) Margin(s): [+/-][•] per cent. per annum
- (x) Minimum Rate of Interest: [•] per cent. per annum
- (xi) Maximum Rate of Interest: [•] per cent. per annum
- (xii) 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)]

15. **Zero Coupon Note Provisions** [Applicable/Not Applicable]

- (i) Accrual Yield: [•] per cent. per annum
- (ii) Reference Price: [•]
- (iii) Day Count Fraction in relation to Early Redemption Amount: [Actual/Actual (ICMA) / Actual/365 / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / 30E/360(ISDA)]

PROVISIONS RELATING TO REDEMPTION

16. Call Option [Applicable/Not Applicable]

- (i) Optional Redemption Date(s) (Call): [•]

(ii)	Optional Redemption Amount(s) (Call):	[[•] / [Par] per Calculation Amount / Make-Whole Amount]
(iii)	If redeemable in part:	
(a)	Minimum Redemption Amount:	[•] per Calculation Amount
(b)	Maximum Redemption Amount:	[•] per Calculation Amount
(iv)	Notice period:	[•]
(v)	Make-Whole Redemption Margin:	[•]/[Not Applicable]
(vi)	Reference Security:	[•]/[Not Applicable]
(vii)	Quotation Time:	[•]
17.	Clean-up Call Option	[Applicable/Not Applicable]
18.	Put Option	[Applicable/Not Applicable]
(i)	Optional Redemption Date(s) (Put):	[•]
(ii)	Optional Redemption Amount(s) (Put):	[•] per Calculation Amount
(iii)	Notice period:	[•]
19.	Change of Control Put Option:	[Applicable/Not Applicable]
20.	Final Redemption Amount of each Note:	[[•] per Calculation Amount/Not Applicable]
21.	Early Redemption Amount (Tax):	[[•] / [Par] per Calculation Amount]
		<i>(N.B. If the Final Redemption Amount is 100 per cent. of the nominal value (i.e. par), the Early Redemption Amount is likely to be par (but consider). If, however, the Final Redemption Amount is other than 100 per cent. of the nominal value, consideration should be given as to what the Early Redemption Amount should be.)</i>
22.	Early Termination Amount:	[[•] / [Par] per Calculation Amount]
		<i>(N.B. If the Final Redemption Amount is 100 per cent. of the nominal value (i.e. par), the Early Termination Amount is likely to be par (but consider). If, however, the Final Redemption Amount is other than 100 per cent. of the nominal value, consideration should be given as to what the Early Termination Amount should be.)</i>

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23.	Form of Notes:	[Bearer Notes:]
-----	----------------	------------------------

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]

[Permanent Global Note exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]

[Registered Notes:]

Global Registered Note registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]

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

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.

Signed on behalf of the Issuer:

By:
Duly authorised

Date:

PART B – OTHER INFORMATION

LISTING AND ADMISSION TO TRADING

- (i) Admission to Trading: Application [has been/is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the [main market of the London Stock Exchange and to be listed on the Official List of the Financial Conduct Authority with effect from [•].
- (ii) Estimate of total expenses related to admission to trading: [•]

RATINGS

- The Notes to be issued [have been/are expected to be] rated:]/[are unrated.]
- [Ratings: [[S&P Global Ratings UK Limited: [•]]
- [Moody's Investors Service Ltd: [•]]
- [Fitch Ratings Limited: [•]]]
- [Include a brief explanation of the meaning of the rating of the Notes]*

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

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

REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

- (i) Reasons for the offer: [•] [See “Use of Proceeds” in Base Prospectus/ Give Details (See “Use of Proceeds” wording in Base Prospectus – if reasons for offer differ from what is disclosed in the Base Prospectus, give details here.)
- (ii) Estimated net proceeds: [•]
- (iii) Estimated total expenses: [•]

[Fixed Rate Notes only – YIELD

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

OPERATIONAL INFORMATION

- (i) ISIN Code: [•]
- (ii) Common Code: [•]
- (iii) 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]
- (iv) CFI Code: [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 FISN and/or CFI code is not required or requested, it/they should be specified to be "Not Applicable")*
- (v) Relevant Benchmark[s]: [[SONIA] / [SOFR] [EURIBOR] /[BBSW] is provided by [administrator legal name][repeat as necessary]. As at the date hereof, [administrator legal name][appears]/[does not appear][repeat as necessary] in the register of administrators and benchmarks established and maintained by the Financial Conduct Authority pursuant to Article 36 (*Register of administrators and benchmarks*) of Regulation (EU) No. 2016/2011 as it forms part of UK domestic law by virtue of the EUWA]/[As far as the Issuer is aware, as at the date hereof, [SONIA]/[SOFR]/[EURIBOR]/[BBSW] does not fall within the scope of Regulation (EU) No. 2016/2011 as it forms part of UK domestic law by virtue of the EUWA]/[Not Applicable]
- (vi) Delivery: Delivery [against/free of] payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): [*]
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][*include this text for registered notes*]] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]/
- [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be

deposited with one of the ICSDs as common safekeeper [[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][include this text for registered notes]]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]

DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names of Managers: Not Applicable / [•]
- (iii) If non-syndicated, name Dealer: Not Applicable / [•]
- (iv) Stabilising Manager(s) (if any): Not Applicable / [•]
- (v) U.S. Selling Restrictions: [Reg. S Category 2]/[TEFRA C/TEFRA D/TEFRA not applicable]
- (vi) Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]
- (vii) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]

USE OF PROCEEDS

The Issuer will use the net proceeds from the issue of each Series of Notes for its general corporate purposes. If, in respect of an issue there is a particular identified use of proceeds, this will be stated in the relevant Final Terms.

INFORMATION ON THE BABCOCK GROUP

INTRODUCTION

Babcock is an international defence company, founded in 1891, providing complex through-life support and product solutions to enhance its customers' defence capabilities and critical assets.

Through-life support on complex programmes: Babcock provides through-life technical and engineering support for its customers' assets, delivering improvements in performance, availability and programme cost. Babcock delivers these critical services to defence and civil customers, including engineering support to naval, land, air and nuclear operations, frontline support, specialist training and asset management.

Product design, manufacture and integration: Babcock also designs and manufactures a range of defence and specialist equipment, from naval ships and weapons handling systems to liquid gas handling systems, and provides integrated, technology-enabled solutions to its defence customers in areas such as secure communications, electronic warfare and air defence.

Babcock delivers vital services and manages complex assets in the UK and internationally through four sectors: Marine, Nuclear, Land and Aviation. Babcock is a trusted partner who understands the key roles that its capabilities, technology, expertise, infrastructure and assets play in ensuring its customers can deliver. Babcock's business is built upon its core strengths, which enable it to solve complex problems for its customers and to improve their performance while reducing costs. This is done through both Babcock Group businesses and joint ventures and involves largely long-term contracts. Babcock's customers tend to be government defence departments, public bodies, or blue-chip companies.

As at 31 March 2025, the Babcock Group generated total revenue of £4,831.3 million, of which 71% was derived from the UK and 29% from international operations, and 74% was attributable to defence-related activities and 26% to non-defence activities. The Babcock Group employed approximately 27,700 staff worldwide.

HISTORY AND DEVELOPMENT

The Babcock Group was founded in 1891 as a boiler making business and evolved throughout the 20th and 21st centuries, developing a range of products and engineering, support and training capabilities across defence, nuclear emergency services, rail and mining and construction markets.

In the early 2000s, the Babcock Group focused on becoming a leading engineering support services business, supported by strategic acquisitions, including Rosyth Royal Dockyard in 1997, the Peterhouse Group in 2004, and, between 2006 and 2009, a series of nuclear support businesses (namely, Alstec Group Limited, International Nuclear Solutions PLC, Strachan and Henshaw Ltd and UKAEA Limited) which were consolidated into Cavendish Nuclear, (Babcock's civil nuclear business unit). Further key transactions included the acquisition of Devonport Management Limited in 2007, VT Group plc in 2010, and Avincis Group in 2014, establishing Babcock as a leading provider of defence, nuclear and mission-critical aviation services.

Over the last six years, and under the leadership of new management, the Babcock Group has undergone a major transformation, executing a turnaround strategy focusing on: restructuring, a portfolio realignment and disposal programme; implementing a new corporate culture and people strategy; a strategic refocusing on defence and nuclear; financial turnaround and simplification of financial disclosures; implementing Group risk and commercial functions with standardised processes and controls; a reintroduction of a capital allocation policy, a strategic growth framework and medium-term guidance and outlook. In March 2025, the Group returned to the FTSE 100.

BUSINESS OVERVIEW

Babcock International Group PLC, which is listed on the London Stock Exchange, is the parent company of the Babcock Group. Babcock's business is organised into four core sectors, Marine,

Nuclear, Land and Aviation, in order to align itself to its customers and markets, to focus on its core capabilities and to make the Babcock Group easier to understand for all its stakeholders.

Each sector has a strong base of both defence and civil customers, with operations of scale in the UK and internationally. Furthermore, each sector is underpinned by deep technical knowledge and expertise. Through infrastructure, assets, people, technology or regulation, all four sectors are characterised by high barriers to entry.

Marine

The Marine sector designs, develops, builds, manufactures and integrates specialist systems, and delivers technical through-life support for complex platforms in the marine sector, such as UK warships and aircraft carriers, Australian and New Zealand warships and conventionally powered submarines, high integrity UK and US defence submarine equipment and secure military communications on land and in space. Marine's exposure to civil markets is delivered through its 'Liquid Gas Equipment' business, which provides world-leading commercial liquid gas handling and gas cargo solutions.

Nuclear

The Nuclear sector provides complex through-life engineering support to the entirety of the UK's nuclear submarine fleet. It owns and manages critical national infrastructure, such as Devonport and Rosyth dockyards in the UK, and provides engineering integration support to Atomic Weapons Establishment. The sector also operates across UK and international civil nuclear, delivering complex new build, generation support and decommissioning.

Land

The Land sector delivers through-life engineering support and systems integration for military vehicles and equipment for UK and international forces and provides individual and collective training for customers with critical missions. The sector also delivers civil engineering services in power generation and transport networks and through-life support of mining equipment.

Aviation

The Aviation sector delivers military pilot training support for the two largest Air Forces in Europe (France and the UK), through-life support to operational military flying assets and critical air operations for government customers.

STRATEGY

Babcock's strategic framework is focused on four key areas:

- *Leverage technical capability:* grow core UK business through optimising existing position and entering selective new programmes, and grow international business through expanding activity in focus countries, direct exports and strategic partnerships;
- *Build strategic partnerships:* work with customers to deliver critical solutions, develop innovative solutions to solve complex customer challenges, and work with industry partners to enter new markets and programmes;
- *Develop people and capabilities:* build a diverse and resilient workforce, grow its engineering and technical capabilities, develop skills through the Babcock Academy and national and industry initiatives, and progress its early careers and returners programmes; and
- *Be a responsible corporate citizen:* progress identified sustainability priorities, further develop sustainability capability within the business, ensure effective governance and oversight processes, and communicate the vital role of defence and national security.

Babcock aims to deliver value for all stakeholders by achieving improved outcomes for customers, fostering a better workplace for employees and generating shareholder returns.

It's strategic growth is targeted through optimising its position in the UK, pursuing selective participation in new programmes and markets, increasing direct exports, and expanding in focus countries and strategic partnerships, all of which are underpinned by technology.

A full overview of the Babcock Group's strategy and business model is available on pages 8, 12 and 13 of the 2025 Annual Report.

PROPERTY

The Babcock Group's principal facilities are located at the UK dockyards, Rosyth and Devonport.

The Rosyth site is owned by Babcock's subsidiary, Rosyth Royal Dockyard Limited ("**RRDL**"), and operated by Babcock Marine (Rosyth) Limited. At the Rosyth site the Babcock Group is engaged in the operation of warship design and build (principally the Type 31 Frigate programme for the UK Royal Navy); nuclear facilities for the MOD; development of a Contingent Docking Facility for future Dreadnought Class submarines; the storage of laid up submarines; dismantling of submarines; advanced manufacture of defence and nuclear components (for example, US and UK Common Missile Tube Compartment missile tube assemblies); the only dock for maintenance of UK Royal Navy Queen Elizabeth Class aircraft carriers, and other engineering services.

Devonport Royal Dockyard is owned by Babcock's subsidiary, Devonport Royal Dockyard Ltd ("**DRDL**"), and is located next to HMNB Devonport, a major operational naval base that is owned by the MOD, for which the Babcock Group provides a range of engineering and logistic services. The Devonport site is UK's sole licensed facility equipped for the deep-maintenance, refitting, defueling and refuelling of UK Royal Navy nuclear-powered submarines and it also has a number of docks and a frigate refit complex equipped for the docking and deep maintenance and life-extension of major surface warships. Supported by a wide range of engineering workshops, it carries out (i) deep-maintenance and life-extension of nuclear powered submarines, (ii) defueling and de-equipping of end-of-life nuclear-powered submarines, (iii) dockings, refits and life-extension of major surface warships and smaller surface craft, (iv) the supply and overhaul of marine equipment and related systems, (v) other manufacturing and assembly activities on military and commercial equipment, and (vi) complex infrastructure and facility operations and upgrades.

The articles of association of RRDL and DRDL grant the MOD as the holder of a special share in each of those companies certain rights in certain circumstances. Such rights include the right to require the sale of shares in, and the right to remove directors of, the company concerned.

The circumstances when such rights might arise include where the MOD considers that unacceptable ownership, influence or control (domestic or foreign) has been acquired over the company in question and that this is contrary to the essential security interests of the UK. This might apply, for example, in circumstances where any non-UK person(s) directly or indirectly acquires control over more than 30% of the shares of the company, though such a situation is not of itself such a circumstance unless the MOD in the given situation considers it to be so. Any level of ownership by particular foreign or domestic persons may, on the facts of the case, be so treated.

CONTRACTS, PATENTS AND LICENCES

Contracts

The majority of the Babcock Group's revenue comes, directly or indirectly, from UK government customers, particularly the MOD, and other UK public sector bodies and agencies, through various contracts across different businesses, which together are essential to the business of the Babcock Group as a whole, as are its borrowing facilities with banks and other lenders.

Patents and Licences

The Babcock Group owns an intellectual property portfolio which includes a number of UK and foreign patents, as well as unpatented know-how, trademarks and copyrights, all of which contribute to the preservation of the Babcock Group's competitive position in the market place.

Babcock does not believe that the loss of any one patent would have a material adverse effect on the Babcock Group's business, financial condition or operating results.

REGULATION

The Babcock Group is subject to various laws and regulations that are relevant to the industries in which it operates in the UK and elsewhere. These include restrictions on the sale, export and sharing of technology and the disclosure of information (particularly in respect of its defence business in Marine, Nuclear, Land and Aviation sectors), as well as health and safety and environmental laws and regulation, which is relevant across its business divisions. The helicopter and aircraft industry is subject to a high degree of international, European and UK government regulation covering most aspects of helicopter operations. These govern operational standards (relating to safety, security, aircraft noise and maintenance) as well as commercial activity. Standards and compliance are monitored through regular inspections.

The Babcock Group has a wide range of licences, permissions and other consents granted by various regulatory and other public bodies in connection with its business. Some of the licences, permissions and other consents held by members of the Babcock Group apply generally to activities carried on by specific Babcock Group companies; others only apply to specific occurrences or activities on specified sites or by specified individuals (for example, certain Babcock Group sites need licences to deal with radioactive and explosive substances, consents to discharge waste water and incinerate waste, licences for vehicles and export and import licences). At any given time a number of applications will be in place to renew or replace existing licences, permissions and other consents and to obtain new licences, permissions and consents for other activities.

The Babcock Group recognises that compliance with laws and regulations is vital for the success and regulation of its business and seeks to establish and maintain good working relationships with all regulatory and other public bodies with which it deals.

Nuclear Industry

The UK nuclear industry is subject to regulation by a number of independent regulators:

- the Office for Nuclear Regulation (the "**ONR**") grants nuclear site licences for the operation and decommissioning of nuclear installations, and is responsible for the regulation of activities on nuclear licensed sites under legislation, in particular, the Energy Act 2013, the Health and Safety at Work etc. Act (1974) and the Nuclear Installations Act 1965 (the "**NIA**"). The ONR is also responsible for the safety and security of civil nuclear sites;
- the Defence Nuclear Safety Regulator (the "**DNSR**"), part of the Defence Safety Authority which is accountable to the Secretary of State for Defence, jointly regulates nuclear safety and security in relation to defence nuclear sites;
- the Environment Agency (the "**EA**") regulates both radioactive and non-radioactive discharges to the environment from nuclear sites in England; and
- the Scottish Environment Protection Agency (the "**SEPA**") holds similar responsibilities to the EA in Scotland, as does Natural Resources Wales in Wales.

All of the Babcock Group's nuclear activities fall under the regulation of one or more of the ONR, the DNSR, the EA, the SEPA and Natural Resources Wales. Under the Nuclear Installations Act (the "**NIA**"), the nuclear site licence holder (in relation to Babcock Group companies, the nuclear site licence holder is Devonport Royal Dockyard Limited at Devonport and Rosyth Royal Dockyard Limited at Rosyth) is liable for the consequences of nuclear incidents at its nuclear licensed site, regardless of fault. Currently under the NIA, the liability of a nuclear site licence holder in the UK is capped at €700 million for each nuclear incident (rising to a total operator liability of €1.2 billion over a period of five years from 2022) and claims may be brought against the nuclear site licence holder up to 30 years after the nuclear incident for personal injury, and 10 years after the incident for all other claims. The nuclear site licence holder must maintain insurance or other appropriate

financial security to cover its potential liability. At Rosyth and Devonport, the Babcock Group relies on indemnities provided by the MOD to cover its statutory liabilities.

KEY PERFORMANCE INDICATORS FOR THE BABCOCK GROUP

The Babcock Group has identified a number of group and sector level financial and non financial key performance indicators that reflect the internal benchmarks it uses to measure the success of its business and strategy. These measures enable investors and other stakeholders to measure its progress. The following table contains the financial key performance indicators for the Babcock Group for the years ended 31 March 2024 and 31 March 2025:

	2024	2025
Underlying operating cash conversion.....	136%	82%
Net Debt to EBITDA.....	0.8x	0.3x
Underlying operating margin.....	5.4%	7.5%
Organic revenue growth.....	11.4%	10.7%
Underlying EPS.....	30.8p	50.3p
Underlying ROIC.....	26.0%	37.0%

The following table contains the non-financial key performance indicators for the Babcock Group. Total recordable injuries and senior management diversity are reported for the years ended 31 March 2024 and 31 March 2025, while CO₂e emissions are reported for calendar years 2023 and 2024:

	2024	2025
Total recordable injuries rate	0.92	0.73
Senior management gender diversity	23%	31%

	2023	2024
CO ₂ e emissions (tCO ₂ e/£m revenue)	734.8	783.9

See "*Alternative Performance Measures*" for further information in relation to how these figures have been calculated. For further information of these key performance indicators see pages 26 and 27 of the 2025 Annual Report.

LITIGATION AND INVESTIGATIONS

As a large contracting organisation, the Babcock Group has a significant number of contracts with customers to deliver services and products, as well as with its supply chain, where the Babcock Group cannot deliver all those services and products itself. The Babcock Group is involved in disputes and litigation, which have arisen in the course of its normal trading in connection with these contracts.

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Issuer are aware), which may have, or have had during the 12 months prior to the date of this Prospectus, a significant effect on the financial position or profitability of the Issuer or the Babcock Group.

MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Babcock Group and are, or may be, material and contain provisions under which the Issuer or any member of the Babcock Group has an obligation or entitlement which is, or may be, material to the ability of the Issuer to meet its obligations in respect of the Notes:

(i) ***Existing Facility Agreement:***

Babcock renewed its English law governed syndicated facility agreement in July 2025 with Australia and New Zealand Banking Group Limited, Barclays Bank PLC, BNP Paribas London Branch, Caixabank S.A. UK Branch, HSBC UK Bank plc, J.P. Morgan

Securities plc, Lloyds Bank plc, NatWest Group plc, Banco Santander, S.A., London Branch and Skandinaviska Enskilda Banken AB (publ) as mandated lead arrangers and bookrunners and pursuant to which the lenders made available to Babcock a £600,000,000 multicurrency revolving credit facility. The maturity date of this facility is July 2030.

- (ii) **Euro Medium Term Note Programme:** In September 2014, Babcock established a £1,800,000,000 euro medium term note programme under which it has issued two tranches which remain outstanding: £300,000,000 1.875% Notes due in 2026; and €550,000,000 1.375% Notes due in 2027.

MAJOR SHAREHOLDINGS

The Issuer is listed on the London Stock Exchange. As at 28 February 2026, the Issuer had 505,596,597 shares in issue of which 6,256,389 were held in treasury, making the total number of voting rights 499,340,208.

As at 28 February 2026, Babcock had been notified of the following major interests in voting rights attached to its ordinary shares, in accordance with DTR5 of the disclosure and transparency rules produced by the FCA, which are equal to or exceed five per cent. of the issued voting capital:

Name	Percentage notified as held (%)
The Capital Group Companies, Inc.	5.51

DIRECTORS

Current Directors

The current directors of Babcock (each a "**Director**") and their functions are as follows:

Name	Position	External appointments
Dame Ruth Cairnie DBE	Director, Chair	Non-Executive Director, BT Group plc Non-Executive Director, Serendipity Capital Patron, Women in Defence Charter Board Member, CBI
David Lockwood OBE	Director, Chief Executive Officer	President, ADS
David Mellors	Director, Chief Financial Officer	None
Carl-Peter Forster	Senior Independent Director	Chair, Vesuvius plc Chair, Keller Group plc
Jane Moriarty	Non-Executive Director (Independent)	Non-Executive Director, Chair of the Audit Committee and Senior Independent Director, Mitchells & Butlers plc
John Ramsay	Non-Executive Director (Independent)	Supervisory Board Member, Chair of the Audit Committee, DSM-Firmenich AG

		Non-Executive Director, Chair of the Audit Committee, RHI Magnestia N.V
Sir Kevin Smith CBE	Non-Executive Director (Independent)	European Advisory Board Member, L.E.K. Consulting
The Right Honourable The Lord Parker of Minsmere, GCVO, KCB	Non-Executive Director (Independent)	Member of the House of Lords Non-Executive Director, Vertical Aerospace Board Advisor, Telicent Ltd Fellow, Royal United Services Institute
Dr Claudia Natanson MBE	Non-Executive Director (Independent)	Chair of the Board of Trustees, UK Cyber Security Council Board Member, UK National Cyber Advisory Board European Commission Security and Cyber Expert
Aedamar Comiskey	Non-Executive Director (Independent)	Senior Partner and Chair, Linklaters LLP

The business address of each of the Directors (in such capacity) is 33 Wigmore Street, London, W1U 1QX.

There are no potential conflicts of interest between the duties to the Issuer of the Directors and their private interests and/or other duties.

TAXATION

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

UK Taxation

The following is a summary of the UK withholding taxation treatment at the date hereof in relation to payments of interest in respect of the Notes. It is based on current law and the published practice of His Majesty's Revenue and Customs ("HMRC"), which may be subject to change, sometimes with retrospective effect. The comments do not deal with other UK tax aspects of acquiring, holding or disposing of Notes. The comments relate only to the position of persons who are absolute beneficial owners of the Notes. Prospective Noteholders should be aware that the particular terms of issue of any series of Notes as specified in the relevant Final Terms may affect the tax treatment of that and other series of Notes. The following is a general guide for information purposes and should be treated with appropriate caution. It is not intended as tax advice and it does not purport to describe all of the tax considerations that may be relevant to a prospective purchaser. Noteholders who are in any doubt as to their tax position should consult their professional advisers. Noteholders who may be liable to taxation in jurisdictions other than the UK in respect of their acquisition, holding or disposal of the Notes are particularly advised to consult their professional advisers as to whether they are so liable (and if so under the laws of which jurisdictions), since the following comments relate only to certain UK taxation aspects of payments in respect of the Notes. In particular, Noteholders should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the UK.

UK Withholding Tax

Notes listed on a recognised stock exchange

Notes which carry a right to interest will constitute "quoted Eurobonds" within the meaning of section 987 of the Income Tax Act 2007 (the "**Act**") provided they are and continue to be listed on a "recognised stock exchange" (within the meaning of section 1005 of the Act or admitted to trading on a "multilateral trading facility" operated by a recognised stock exchange that is regulated in the UK, the EEA or Gibraltar (within the meaning of section 987 of the Act)). Whilst the Notes are and continue to be quoted Eurobonds, payments of interest on the Notes may be made without withholding or deduction for or on account of UK income tax.

The London Stock Exchange is a recognised stock exchange for these purposes, and accordingly the Notes will constitute quoted Eurobonds provided they carry a right to interest and are and continue to be included in the Official List of the FCA and admitted to trading on the London Stock Exchange.

In cases falling outside the exemption described above, interest on the Notes which has a UK source may generally fall to be paid under deduction of UK income tax at the basic rate (currently 20%) (and, under proposals contained in the Finance (No. 2) Bill as published on 4 December 2025, at the savings basic rate of 22% with effect from 6 April 2027) subject to such relief or exemption as may be available. However, this withholding will not apply if the relevant interest is paid on Notes with a maturity date of less than one year from the date of issue and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

Other Rules Relating to UK Withholding Tax

1. Notes may be issued at an issue price of less than 100% of their principal amount. Any discount element on any such Notes will not generally be subject to any UK withholding tax pursuant to the provisions mentioned above.
2. Where Notes 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 UK withholding tax as outlined above.
3. Where interest has been paid under deduction of UK income tax, Holders who are not resident in the UK may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.
4. The references to "interest" above mean "interest" as understood in UK tax law. The statements above do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation. Noteholders should seek their own professional advice as regards the withholding tax treatment of any payment on the Notes which does not constitute "interest" or "principal" as those terms are understood in UK tax law.
5. The above description of the UK withholding tax position assumes that there will be no substitution of the Issuer (pursuant to Condition 17 (*Meetings of Noteholders; Modification and Waiver; Substitution*) of the Notes or otherwise) and does not consider the tax consequences of any such substitution.

FATCA

Pursuant to certain provisions of the US Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including the UK) have entered into intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date of publication of final regulations defining "foreign passthru payments" in the U.S. Federal Register. Additionally, Notes characterized as debt for U.S. federal income tax purposes (or which are not otherwise characterized as equity and have a fixed term) and that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer). Noteholders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of Australia and New Zealand Banking Group Limited (ABN 11 005 357 522), Barclays Bank PLC, Banco Santander, S.A., BNP Paribas, CaixaBank, S.A., HSBC Bank plc, J.P. Morgan Securities plc, Lloyds Bank Corporate Markets plc, NatWest Markets Plc and Skandinaviska Enskilda Banken AB (publ) (the "**Dealers**"). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and subscribed by, Dealers are set out in an amended and restated Dealer Agreement dated 3 March 2026 as amended or supplemented from time to time (the "**Dealer Agreement**") and made between the Issuer and the Dealers. If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and a single Dealer for that Tranche to be issued by the Issuer and subscribed by that Dealer, the method of distribution will be described in the relevant Final Terms as "Non-Syndicated" and the name of that Dealer and any other interest of that Dealer which is material to the issue of that Tranche beyond the fact of the appointment of that Dealer will be set out in the relevant Final Terms. If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and more than one Dealer for that Tranche to be issued by the Issuer and subscribed by those Dealers, the method of distribution will be described in the relevant Final Terms as "Syndicated", the obligations of those Dealers to subscribe the relevant Notes will be joint and several and the names and addresses of those Dealers and any other interests of any of those Dealers which is material to the issue of that Tranche beyond the fact of the appointment of those Dealers (including whether any of those Dealers has also been appointed to act as Stabilising Manager in relation to that Tranche) will be set out in the relevant Final Terms.

Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be subscribed by the Dealer(s) and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

United States of America: *Regulation S Category 2; TEFRA D or TEFRA C as specified in the relevant Final Terms or neither if TEFRA is specified as not applicable in the relevant Final Terms.*

The Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or (in the case of Bearer Notes) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code of 1986 and regulations thereunder.

Each Dealer has agreed, and each future Dealer appointed under the Programme will be required to agree, that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche within the United States or to, or for the account or benefit of, U.S. persons and such Dealer will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration which purchases Notes from it during the distribution compliance period relating thereto, a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

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

Prohibition of Sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision the expression "**retail investor**" means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (b) a customer within the meaning of 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

Prohibition of Sales to UK Retail Investors

Unless the Final Terms in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision the expression "retail investor" means a person who is not: a professional client, as defined in point (8) of Article 2(1) of UK MiFIR as it forms part of domestic law by virtue of the EUWA.

United Kingdom – Other Regulatory Restrictions

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

- (a) in relation to any Notes having a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons 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 where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948), as amended (the "**FIEA**"). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not, directly or indirectly, offer to sell any Notes in Japan or to, or for the benefit of, a resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan, except pursuant to an exemption from the registration requirements of,

and otherwise in compliance with, the FIEA and other relevant laws, regulations and ministerial guidelines of Japan.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore (the "**MAS**"). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the SFA)) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

General

Each Dealer has represented and agreed, and each future Dealer appointed under the Programme will be required to represent and agree, that, to the best of its knowledge and belief, it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expenses. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

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

GENERAL INFORMATION

Authorisation

The update of the Programme was authorised by resolutions of the Board of Directors of the Issuer passed on 26 February 2026 and resolutions of the committee of the Board of Directors passed on 26 February 2026.

Legal and Arbitration Proceedings

There are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Issuer or the Babcock Group.

Conditions for determining price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Significant/Material Adverse Change

There has been no material adverse change in the prospects of the Issuer since the end of the last financial period reported in its most recent audited financial statements incorporated by reference into this Base Prospectus and there has been no significant change in the financial position and the financial performance of the Babcock Group since the end of the last financial period reported in its most recent audited or interim financial statements incorporated by reference into this Base Prospectus.

Auditors

In respect of the financial year ended 31 March 2025, the consolidated financial statements of the Babcock Group have been audited without qualification by Forvis Mazars LLP of 3 Chamberlain Square, Birmingham B3 3AX.

In respect of the financial year ended 31 March 2024, the consolidated financial statements of the Babcock Group have been audited without qualification by Deloitte LLP of 2 New Street Square, London, EC4A 3BZ.

Documents on Display

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection on the website set out next to their description below:

- (a) the constitutive documents of the Issuer at <https://www.gov.uk/get-information-about-a-company>;
- (b) this Base Prospectus together with any supplements and/or amendments at www.babcockinternational.com/investors/debt-investors/emtn-programme; and
- (c) the Trust Deed (which contains the forms of Notes in global and definitive form) at www.babcockinternational.com/investors/debt-investors/emtn-programme.

Clearing of the Notes

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and/or the International Securities Identification Number (ISIN) and/or the Financial Instrument Short Name (FISN) and/or the Classification of Financial Instruments (CFI) code (as applicable) in relation to the Notes of each Tranche will be specified in the relevant Final Terms. The relevant Final Terms shall specify any other clearing system as

shall have accepted the relevant Notes for clearance together with any further appropriate information.

Legal Entity Identifier

The Legal Entity Identified (LEI) of the Issuer is 213800TSKOLX4EU6L377.

Issue Price and Yield

Notes may be issued at any price. The issue price of each Tranche of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions and the issue price of the relevant Notes or the method of determining the price and the process for its disclosure will be set out in the relevant Final Terms. In the case of different Tranches of a Series of Notes, the issue price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche.

The yield of each Tranche of Notes set out in the relevant Final Terms will be calculated as of the relevant issue date on an annual or semi-annual basis using the relevant issue price. It is not an indication of future yield.

Dealers transacting with the Issuer

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

THE ISSUER

Babcock International Group PLC

33 Wigmore Street
London W1U 1QX
United Kingdom

ARRANGER

NatWest Markets Plc

250 Bishopsgate
London EC2M 4AA
United Kingdom

DEALERS

Australia and New Zealand Banking Group Limited

Level 12 25 North Colonnade
London E14 5HZ
United Kingdom

Banco Santander, S.A.

Ciudad Grupo Santander
Avenida de Cantabria s/n
Edificio Encinar
28660, Boadilla del Monte
Madrid
Spain

CaixaBank, S.A.

Pintor Sorolla, 2-4
46002 Valencia
Spain

J.P. Morgan Securities plc

25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

NatWest Markets Plc

250 Bishopsgate
London EC2M 4AA
United Kingdom

Barclays Bank PLC

1 Churchill Place
London E14 5HP
United Kingdom

BNP PARIBAS

16, boulevard des Italiens
75009 Paris
France

HSBC Bank plc

8 Canada Square
London E14 5HQ
United Kingdom

Lloyds Bank Corporate Markets plc

33 Old Broad Street
London EC2N 1HZ
United Kingdom

Skandinaviska Enskilda Banken AB (publ)

Kungsträdgårdsgatan 8
106 40 Stockholm
Sweden

TRUSTEE

The Law Debenture Trust Corporation p.l.c.

8th Floor
100 Bishopsgate
London EC2N 4AG
United Kingdom

REGISTRAR

HSBC Bank plc
8 Canada Square

London E14 5HQ
United Kingdom

PRINCIPAL PAYING AGENT

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

PAYING AGENTS AND TRANSFER AGENTS

HSBC Bank plc
8 Canada Square
London E14 5HQ
United Kingdom

LEGAL ADVISERS

To the Issuer as to English law:

Slaughter and May
One Bunhill Row
London EC1Y 8YY
United Kingdom

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

Ashurst LLP
London Fruit & Wool Exchange
1 Duval Square
London E1 6PW
United Kingdom

AUDITORS TO THE BABCOCK GROUP

*For the financial year ended 31 March
2025:*

Forvis Mazars LLP
3 Chamberlain Square
Birmingham B3 3AX
United Kingdom

*For the financial year ended 31 March
2024:*

Deloitte LLP
2 New Street Square
London EC4A 3BZ
United Kingdom