Macquarie Bank Limited

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ASX Release

MACQUARIE BANK LIMITED – SUBORDINATED TIER 2 DEBT INSTRUMENT PROGRAMME – OFFERING CIRCULAR AND PRICING SUPPLEMENT

SYDNEY, 18 NOVEMBER 2026 - Macquarie Bank Limited (ABN 46 008 583 542) ("MBL") refers to its $A10,000,000,000 Subordinated Tier 2 Debt Instrument Programme (the "Programme") under which it may, from time to time, issue wholesale debt securities to be listed on the ASX.

Attached is the Offering Circular dated 5 June 2026 relating to the Programme, together with the Pricing Supplement dated 16 November 2026 relating to MBL's issuance of EUR 500,000,000 4.811% Fixed Rate Reset Subordinated Debt Instruments.

These documents are being provided in connection with an Appendix 2A to be released on ASX today.

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This document has been authorised for release to the ASX by Sam Dobson, Head of Investor Relations.

OFFERING CIRCULAR
FOR THE ISSUE OF SUBORDINATED TIER 2 DEBT INSTRUMENTS
MACQUARIE BANK LIMITED
(ABN 46 008 583 542)
(incorporated with limited liability in the Commonwealth of Australia)



A$10,000,000,000
(or equivalent in other currencies)

Subordinated Tier 2 Debt Instrument Programme

ISSUER
Macquarie Bank Limited

DEALERS
Australia and New Zealand Banking Group Limited
BofA Securities
Bank of China Limited
BNP PARIBAS
Citigroup
Commonwealth Bank of Australia
Crédit Agricole Corporate and Investment Bank
Deutsche Bank
Goldman Sachs
Goldman Sachs International
HSBC
ING Bank N.V.
J.P. Morgan
Macquarie Bank Europe Designated Activity Company
Macquarie Bank Limited
Macquarie Bank Limited, London Branch
Morgan Stanley
MUFG Securities Asia Limited
National Australia Bank Limited
Natixis
SMBC
Société Générale Corporate & Investment Banking
Wells Fargo Securities International Limited
Westpac Banking Corporation

I&P AGENT
Citibank, N.A., London Branch

Dated 5 June 2026

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Important Notices

Macquarie Bank Limited (ABN 46 008 583 542) ("**Issuer**" or "**Macquarie Bank**") may from time to time offer unsecured, subordinated debt instruments ("**Subordinated Debt Instruments**") as described in this offering circular ("**Offering Circular**").

Macquarie Bank is an indirect subsidiary of Macquarie Group Limited (ABN 94 122 169 279) ("**MGL**") and in this Offering Circular references to the "**Macquarie Group**" are references to MGL and its subsidiaries and references to the "**Macquarie Bank Group**" are references to Macquarie B.H. Pty Ltd (ABN 86 124 071 432) (the direct parent of Macquarie Bank) and its subsidiaries (including Macquarie Bank).

This Offering Circular does not constitute a prospectus for the purposes of *Regulation (EU) No 2017/1129* (as amended, the "**Prospectus Regulation**") or the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook ("**PRM**"). This Offering Circular has been prepared on the basis that any offer of Subordinated Debt Instruments in any Member State of the European Economic Area (the "**EEA**") or the United Kingdom (the "**UK**") will be made pursuant to an exemption under the Prospectus Regulation and the PRM, as applicable, from the requirement to publish a prospectus for offers of Subordinated Debt Instruments or otherwise will not be subject to such requirements. Accordingly any person making or intending to make an offer in any Member State of the EEA or the UK of Subordinated Debt Instruments which are the subject of this Offering Circular as completed by the relevant Pricing Supplement in relation to the offer of those Subordinated Debt Instruments may only do so in the circumstances in which no obligation arises for the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation and the PRM, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Subordinated Debt Instruments in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

The Subordinated Debt Instruments have not been and will not be registered under the *U.S. Securities Act of 1933*, as amended (the "**Securities Act**") and will be issued in bearer or registered form. The Subordinated Debt Instruments are being offered outside the United States of America ("**United States**") by the Dealers in accordance with Regulation S under the Securities Act ("**Regulation S**"), and may not be offered, sold, resold or delivered within the United States or to, or for the account or benefit of, "**U.S. persons**" except in accordance with Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S.

Subordinated Debt Instruments in bearer form are subject to U.S. tax law requirements and, pursuant to the terms of the Subordinated Debt Instrument Programme described in this Offering Circular ("**Programme**"), 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 the *U.S. Internal Revenue Code of 1986*, as amended (the "**U.S. Internal Revenue Code**") and U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and U.S. tax regulations.

The pricing supplement ("**Pricing Supplement**") issued for each tranche of Subordinated Debt Instruments (each, a "**Tranche**") will contain details of the aggregate nominal amount of the Tranche of Subordinated Debt Instruments and the interest (if any) payable in respect of, and the issue price, issue date and maturity date of the Tranche of Subordinated Debt Instruments, together with any other terms and conditions not contained in this Offering Circular which apply to that Tranche of Subordinated Debt Instruments. In addition, as agreed between Macquarie Bank and the relevant Dealer(s), Pricing Supplements may also be issued for other Tranches of Subordinated Debt Instruments.

This Offering Circular has not been, nor will be, lodged with the Australian Securities and Investments Commission ("ASIC") and is not a 'prospectus' or other 'disclosure document' for the purposes of the *Corporations Act 2001* (Cth) (the "Corporations Act"). In addition, see the selling restrictions in "Subscription and Sale" incorporated into and forming part of this Offering Circular.

This Offering Circular and the Subordinated Debt Instruments are not for distribution to any person in Australia who is a retail client for the purposes of section 761G of the Corporations Act. No target market determination has been or will be made for the purposes of Part 7.8A of the Corporations Act.

Citigroup Global Markets Limited is incorporated in the UK and is authorised in the UK by the Prudential Regulation Authority (the "**PRA**") and regulated in the UK by the Financial Conduct Authority ("**FCA**") and the PRA. Citigroup Global Markets Limited does not hold an Australian Financial Services Licence and, in providing the services to the Issuer, it relies on various exemptions contained in the Corporations Act and the Corporations Regulations 2001 promulgated under the Corporations Act (together the "**Corporations Laws**"). Citigroup Global Markets Limited hereby notifies all relevant persons that all services contemplated under this document are provided to the Issuer by Citigroup Global Markets Limited from outside of Australia and to the extent necessary, Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832 and Australian Financial Services Licence No. 240992) a related body corporate of Citigroup Global Markets Limited within the meaning of the Corporations Laws, has arranged for Citigroup Global Markets Limited to provide these services to the Issuer.

Goldman Sachs International ("**GSI**") is exempt from the requirement to hold an Australian Financial Services Licence ("**AFSL**") under the Corporations Act in respect of the financial services it provides in relation to this Programme, and does not therefore hold an AFSL. GSI is authorised by the PRA and regulated by the FCA and the PRA under UK laws, which differ from Australian laws.

When providing services to customers and counterparties in Australia, SMBC Bank International plc is exempt from the requirement to hold an Australian financial services licence. It is regulated under UK laws, which differ from Australian laws. SMBC Bank International plc only provides regulated financial services to persons in Australia who qualify as wholesale clients (as defined in section 761G of the Corporations Act). If you do not know whether you are a wholesale client under this definition, please seek professional advice. SMBC Bank International plc is not an authorised deposit-taking institution under the Banking Act (as defined herein) and it is not supervised by the Australian Prudential Regulation Authority ("**APRA**")

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

PROHIBITION OF SALES TO UK RETAIL INVESTORS – If the Pricing Supplement in respect of any Subordinated Debt Instruments includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Subordinated Debt Instruments are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is either one (or both) of the following: (i) 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 in the UK by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Subordinated Debt Instruments or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Subordinated Debt Instruments or otherwise making them available to any retail investor in

the UK may be unlawful under the DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET – The Pricing Supplement in respect of any Subordinated Debt Instruments may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Subordinated Debt Instruments and which channels for distribution of the Subordinated Debt Instruments are appropriate. Any person subsequently offering, selling or recommending the Subordinated Debt Instruments (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Subordinated Debt Instruments (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 Subordinated Debt Instruments is a manufacturer in respect of such Subordinated Debt Instruments, but otherwise none of the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET – The Pricing Supplement in respect of any Subordinated Debt Instruments may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Subordinated Debt Instruments and which channels for distribution of the Subordinated Debt Instruments are appropriate. Any person subsequently offering, selling or recommending the Subordinated Debt Instruments (a distributor) should take into consideration the target market assessment; however, a 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 Subordinated Debt Instruments (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 Subordinated Debt Instruments is a manufacturer in respect of such Subordinated Debt Instruments, but otherwise none of the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

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**"), unless otherwise specified before an offer of Subordinated Debt Instruments, the Issuer has determined that all Subordinated Debt Instruments issued or to be issued under the Programme are classified as "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*).

The aggregate nominal amount of Subordinated Debt Instruments which may be outstanding at any time will not exceed A$10,000,000,000 (or its equivalent in other currencies at the date of issue) (the "**Programme Limit**", as may be amended from time to time).

Subordinated Debt Instruments will be issued in one or more Tranches within one or more series (each a "**Series**"). Tranches of Subordinated Debt Instruments within a particular Series may have various issue dates, issue prices and interest commencement dates and, in respect of the first interest payment (if any), different interest payment amounts but will otherwise be issued on identical terms and conditions, provided that the requirements of APRA for the Subordinated Debt Instruments to be eligible to be treated as Tier 2 Capital are met in respect of each Tranche.

NO ACQUISITIONS BY OFFSHORE ASSOCIATES OF THE ISSUER

Under current Australian law, interest and other amounts paid on the Subordinated Debt Instruments by Macquarie Bank will not be subject to Australian interest withholding tax if the Subordinated Debt Instruments are issued in accordance with certain prescribed conditions set out in section 128F of the *Income Tax Assessment Act 1936* (Cth) of Australia. One of these conditions is that Macquarie Bank must not know, or have reasonable grounds to suspect, that a Subordinated Debt Instrument, or an interest in a Subordinated Debt Instrument, was being, or would later be, acquired directly or indirectly by an Offshore Associate of Macquarie Bank, other than in the capacity of a dealer, manager, or underwriter in relation to the placement of the relevant Subordinated Debt Instrument, or a clearing house, custodian, funds manager or responsible entity of a registered scheme. Accordingly, the Subordinated Debt Instruments must not be acquired by an Offshore Associate of Macquarie Bank (other than in these specified capacities). For these purposes, an Offshore Associate means an "associate" (as defined in section 128F(9) of the *Income Tax Assessment Act 1936* (Cth) of Australia) who is either (i) a non-resident of Australia that does not acquire a Subordinated Debt Instrument, or an interest in a Subordinated Debt Instrument, in carrying on a business in Australia at or through a permanent establishment of the associate in Australia, or (ii) a resident of Australia that acquires a Subordinated Debt Instrument, or an interest in a Subordinated Debt Instrument, in carrying on a business in a country outside Australia at or through a permanent establishment of the associate in that country. "Associate" is defined broadly and may include, but is not limited to, any entity that is under common control with or is sufficiently influenced by Macquarie Bank or which controls or sufficiently influences Macquarie Bank. Any investor who believes that it may be affiliated with or related to any of the above-mentioned entities or who otherwise believes it may be an Offshore Associate of Macquarie Bank, should make appropriate enquiries before investing in any Subordinated Debt Instrument. For more details, please refer to "Tax Considerations" on pages 154 to 161.

RESPONSIBILITY

Macquarie Bank accepts responsibility for the information contained in this Offering Circular and the Pricing Supplement for each Tranche of Subordinated Debt Instruments issued under the Programme from time to time. To the best of Macquarie Bank's knowledge, the information contained in this Offering Circular is in accordance with the facts and this Offering Circular makes no omission likely to affect its import.

If any person intending to acquire, or acquiring, any Subordinated Debt Instruments is in any doubt about whether it can rely on this Offering Circular and/or who is responsible for its contents, it should take legal advice.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular is to be read in conjunction with the documents which are incorporated herein by reference (see "Documents Incorporated by Reference" set out on pages 22 to 25). This Offering Circular shall, save as specified herein, be read and construed on the basis that such documents are so incorporated and form part of this Offering Circular. Other than in relation to the documents which are deemed to be incorporated by reference (see "Documents Incorporated by Reference" set out on pages 22 to 25), the information on any websites to which this Offering Circular refers does not form part of this Offering Circular. Investors should review, amongst other things, the documents deemed to be incorporated herein by reference when deciding whether or not to purchase any Subordinated Debt Instruments.

NO INDEPENDENT VERIFICATION OR ADVICE

None of the Dealers (as named on the cover page of this Offering Circular or as may be appointed from time to time), the Agents (as defined in the Conditions) or the Australian Registrar (as defined in the Conditions) act as the adviser of or owe any fiduciary or other duties to any recipient of this Offering Circular in connection with the Subordinated Debt Instruments and/or any related transaction (including, without limitation, in respect of the preparation and due execution of the transaction documents and the power, capacity or authorisation of any other party to enter into and execute the transaction documents). Furthermore, none of

the Dealers, the Agents or the Australian Registrar has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any Dealer (or their affiliates), any Agent or the Australian Registrar as to the accuracy or completeness of any of the information contained in this Offering Circular or any further information supplied in connection with the Programme.

Neither this Offering Circular nor any other information provided in connection with the Programme or the Subordinated Debt Instruments is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation or a statement of opinion, or a report of either of those things, by Macquarie Bank or any Dealer, any Agent or the Australian Registrar that any recipient of this Offering Circular purchase any Subordinated Debt Instruments or any rights in respect of any Subordinated Debt Instruments. Each investor contemplating purchasing any Subordinated Debt Instruments or any rights in respect of any Subordinated Debt Instruments under the Programme should make (and shall be deemed to have made) its own independent assessment of the financial condition and affairs of, and its own appraisal of the creditworthiness of, Macquarie Bank. No advice is given in respect of the taxation treatment of investors in connection with investment in any Subordinated Debt Instruments and each investor is advised to consult its own professional adviser.

CURRENCY OF INFORMATION

Neither the delivery of this Offering Circular nor any sale made in connection with this Offering Circular at any time implies that the information contained herein concerning Macquarie Bank is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated.

NO REVIEW OF AFFAIRS OF MACQUARIE BANK OR THE MACQUARIE BANK GROUP

None of the Dealers, the Agents or the Australian Registrar undertakes to review the financial condition or affairs of Macquarie Bank or the Macquarie Bank Group during the life of the Programme or to advise any investor in the Subordinated Debt Instruments of any information coming to the attention of any Dealer, any Agent or the Australian Registrar.

RISK FACTORS

An investment in the Subordinated Debt Instruments involves risks that include, without limitation, those described in "Risk Factors" which are incorporated into and form part of this Offering Circular.

SUBORDINATED DEBT INSTRUMENTS MAY NOT BE A SUITABLE INVESTMENT FOR ALL INVESTORS

Investors should have (either alone or with the help of a financial or other professional adviser) sufficient knowledge and experience in financial and business matters to meaningfully evaluate the merits and risks of investing in a particular issue of Subordinated Debt Instruments and the information contained in or incorporated by reference in this Offering Circular or any applicable supplement or Pricing Supplement as well as access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their particular circumstance.

The Conditions are complex and include features that are required for the Subordinated Debt Instruments to qualify as Tier 2 Capital of the Issuer under APRA's prudential standards. As a result, an investment in the Subordinated Debt Instruments will involve certain risks which may not be relevant to other securities and investments. The Subordinated Debt Instruments are being issued and sold solely to investors who have the skill and experience necessary to make their own investigations and analysis of the risks involved in investments in instruments of that kind and of the Issuer without the need for disclosure to investors under the Corporations Act. The Subordinated Debt Instruments may not be suitable for all investors and any potential investor should consider the suitability of the investment in the Subordinated Debt Instruments and, in the event of Exchange, the MGL Ordinary Shares, in light of its own circumstances and appetite for risk. In

particular, if a Non-Viability Event occurs, the Subordinated Debt Instruments may be required to be Exchanged for MGL Ordinary Shares or, if Exchange does not occur as required within 5 Business Days of the date of the Non-Viability Event, Written-Off. If in any doubt, contact your professional adviser.

RISKS RELATED TO SUBORDINATED DEBT INSTRUMENTS AND THE STRUCTURE OF A PARTICULAR ISSUE OF SUBORDINATED DEBT INSTRUMENTS

A range of types of Subordinated Debt Instruments may be issued under the Programme. A number of these Subordinated Debt Instruments may have features which contain particular risks for potential investors in relation to their own personal circumstances. The risks of a particular Subordinated Debt Instrument will depend on the terms of such Subordinated Debt Instrument, but may include, without limitation, the possibility of significant changes in the values of the applicable interest rates. Prospective investors may be required to bear the financial risks of an investment in the Subordinated Debt Instruments for an indefinite period of time. Prospective investors could lose all or a substantial portion of their investment.

Such risks generally depend on factors over which Macquarie Bank has no control and which cannot readily be foreseen, such as economic and political events and the supply of and demand for the relevant securities, assets or other property. Neither the current nor the historical price, value or performance of (A) the relevant interest rates, (B) the relevant classes of securities, assets or other property, or (C) the relevant entities should be taken as an indication of future price, value or performance during the term of any Subordinated Debt Instrument.

The obligation of the Issuer prior to the commencement of a winding up to make payments when due in respect of Subordinated Debt Instruments is conditional upon the Issuer being solvent immediately before and after payment by the Issuer. Furthermore, in the event of a winding-up of the Issuer, it will be required to meet its obligations to all its other creditors (including unsecured creditors, but excluding any obligations in respect of subordinated debt which rank *pari passu* with, or after, the Subordinated Debt Instruments) in full before it can make any payments on Subordinated Debt Instruments. If this occurs, the Issuer may not have enough assets remaining after these payments to pay amounts due to investors under Subordinated Debt Instruments.

LEGAL INVESTMENT CONSIDERATIONS MAY RESTRICT CERTAIN INVESTMENTS

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

NO AUTHORISATION

No person has been authorised to give any information or make any representations not contained in this Offering Circular in connection with Macquarie Bank, the Macquarie Bank Group, the Programme or the issue or sale of the Subordinated Debt Instruments and, if given or made, such information or representation must not be relied upon as having been authorised by Macquarie Bank or any Dealer, any Agent or the Australian Registrar.

DISTRIBUTION AND SELLING RESTRICTIONS

The distribution of this Offering Circular and any Pricing Supplement and the offer or sale of Subordinated Debt Instruments may be restricted in certain jurisdictions. Neither Macquarie Bank nor any Dealer, any Agent or the Australian Registrar represents that this Offering Circular may be lawfully distributed, or that any Subordinated Debt Instruments may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular no action has been taken by

Macquarie Bank or any Dealer, any Agent or the Australian Registrar which would permit a public offering of any Subordinated Debt Instruments or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Subordinated Debt Instruments may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by them will be made on the same terms.

Persons into whose possession this Offering Circular or any Subordinated Debt Instruments come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Subordinated Debt Instruments in Australia, the United States, the European Economic Area, the United Kingdom, the Republic of Italy, Hong Kong, Singapore, Japan, Canada, Republic of Korea ("**Korea**"), Taiwan, the People's Republic of China ("**PRC**") and New Zealand (see "Subscription and Sale" on pages 145 to 153 inclusive of this Offering Circular, which are incorporated into and form part of this Offering Circular).

You are reminded that this Offering Circular has been delivered to you on the basis that you are a person into whose possession this Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this Offering Circular to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Dealers or any affiliate of the Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Dealers or such affiliate on behalf of the Issuer in such jurisdiction.

This Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Dealers nor any person who controls any of them nor any of their respective directors, officers, employees, agents or affiliates accepts any liability or responsibility whatsoever in respect of any such alteration or change from this Offering Circular.

NO OFFER

Neither this Offering Circular nor any Pricing Supplement is intended to, nor does it, constitute an offer or invitation by or on behalf of Macquarie Bank or any Dealer, any Agent or the Australian Registrar to any person to subscribe for, or purchase any Subordinated Debt Instruments nor does it constitute, and it may not be used for the purposes of, an offer or invitation by anyone in any jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of Subordinated Debt Instruments or the distribution of this Offering Circular or any Pricing Supplement in any jurisdiction where such action is required.

AUSTRALIAN BANKING LEGISLATION

Macquarie Bank is an "authorised deposit-taking institution" ("**ADI**") under the *Banking Act 1959* of Australia ("**Banking Act**").

The Banking Act provides that, in the event an ADI becomes unable to meet its obligations or suspends payment, the ADI's assets in Australia are available to meet specified liabilities of the ADI in priority to all other liabilities of the ADI (including, in the case of Macquarie Bank, the Subordinated Debt Instruments). These specified liabilities include certain obligations of the ADI to APRA in respect of amounts payable by APRA to holders of protected accounts, other liabilities of the ADI in Australia in relation to protected accounts, debts to the Reserve Bank of Australia ("**RBA**") and certain other debts to APRA. A "**protected account**" is either (a) an account where the ADI is required to pay the account-holder, on demand or at an

agreed time, the net credit balance of the account, or (b) another account or financial product prescribed by regulation. Changes to applicable law may extend the liabilities required to be preferred by law.

The Banking Act also provides that certain other debts of an ADI due to APRA shall in a winding-up of an ADI have, subject to section 13A(3) of the Banking Act, priority over all other unsecured debts of that ADI. Further, section 86 of the *Reserve Bank Act 1959* of Australia provides that in a winding-up of an ADI, debts due by an ADI to the RBA shall, subject to section 13A(3) of the Banking Act, have priority over all other debts of the ADI.

Subordinated Debt Instruments do not constitute a protected account of, or (unless expressly provided in the relevant Pricing Supplement) a deposit with, Macquarie Bank. The liabilities which are preferred by law to the claim of a holder in respect of a Subordinated Debt Instrument will be substantial and the Conditions do not limit the amount of such liabilities which may be incurred or assumed by Macquarie Bank from time to time.

THE SUBORDINATED DEBT INSTRUMENTS ARE NOT PROTECTED BY THE FINANCIAL SERVICES COMPENSATION SCHEME

The Subordinated Debt Instruments to be issued under the Programme are not protected by the Financial Services Compensation Scheme ("**FSCS**"). As a result, neither the FSCS nor anyone else will pay compensation to you upon the failure of Macquarie Bank. If Macquarie Bank goes out of business or becomes insolvent, you may lose all or part of your investment in any Subordinated Debt Instruments.

USE OF DEFINED TERMS IN THIS OFFERING CIRCULAR

Certain terms or phrases in this Offering Circular are defined in double quotation marks and subsequent references to that term are designated with initial capital letters. Terms used in this Offering Circular but not otherwise defined have the meaning given to them in the terms and conditions applicable to the Subordinated Debt Instruments, as set out in Section 4 of this Offering Circular, as amended, supplemented or varied in accordance with the relevant Pricing Supplement ("**Conditions**").

REFERENCES TO CURRENCIES

In this Offering Circular references to:

- "**A$**" and "**Australian Dollars**" are to the lawful currency of the Commonwealth of Australia;
- "**U.S.$**" and "**U.S. Dollars**" are to the lawful currency of the United States;
- "**Yen**" are to the lawful currency of Japan;
- "**SGD**" or "**Singapore Dollars**" are to the lawful currency of Singapore;
- "**£**", "**GBP**" and "**Sterling**" are to the lawful currency of the UK;
- "**Euro**" are to the currency introduced at the third stage of European economic and monetary union pursuant to the Treaty establishing the European Communities, as amended by the Treaty on European Union, as amended from time to time; and
- "**NZD**" or "**New Zealand Dollars**" are to the lawful currency of New Zealand; and
- "**HKD**" or "**Hong Kong Dollars**" are to the lawful currency of Hong Kong.

FORWARD-LOOKING STATEMENTS ABOUT MACQUARIE BANK AND MGL

This Offering Circular contains and incorporates by reference statements that constitute forward-looking statements. All statements other than statements of historical facts included in this Offering Circular, including, without limitation, those regarding Macquarie Bank's and MGL's financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Examples of these forward-looking statements include, but are not limited to (i) statements regarding Macquarie Bank's and MGL's future results of operations and financial condition, (ii) statements of plans, objectives or goals, including those related to Macquarie Bank's and MGL's products or services, and (iii) statements of assumptions underlying those statements. Words such as "may," "will," "expect," "intend," "plan," "estimate," "anticipate," "believe," "continue", "probability," "risk," and other similar words are intended to identify forward-looking statements, but are not the exclusive means of identifying those statements. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Macquarie Bank and MGL, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the present and future business strategies of Macquarie Bank and MGL and the environment in which it will operate in the future. These forward-looking statements speak only as of the date of this Offering Circular. Macquarie Bank and MGL expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this Offering Circular, or incorporated herein by reference, to reflect any change in the expectations of Macquarie Bank or MGL with regard to such forward-looking statements or any change in events, conditions or circumstances on which any such forward-looking statement is based. Many of these factors are beyond the control of Macquarie Bank and MGL. Should one or more of these risks or uncertainties materialise, or should underlying assumptions on which the forward-looking statements are based prove incorrect, actual results may vary materially from those described in this Offering Circular as anticipated, believed, estimated or expected.

Except to the extent required by laws and regulations, Macquarie Bank and MGL do not intend, and do not assume any obligation, to update this Offering Circular in light of the impact of any judicial decision or change to law or administrative practice after the date of this Offering Circular.

STABILISATION

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

Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or any person acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

DISSEMINATION OF CREDIT RATINGS

There are references in this Offering Circular to credit ratings. A credit rating is not a recommendation to buy, sell or hold the Subordinated Debt Instruments and may be subject to revision, suspension or withdrawal at any time by the relevant rating agency.

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Offering Circular and anyone who receives this Offering Circular must not distribute it to any person who is not entitled to receive it.

1. Overview of the Programme

The following overview is a general description only and should be read in conjunction with the Pricing Supplement set out in Section 5 and, to the extent applicable, the Conditions set out in Section 4. This overview is qualified in its entirety by the remainder of this Offering Circular and any decision to invest in the Subordinated Debt Instruments should be based on a consideration of this Offering Circular as a whole, including, without limitation, the "Risk Factors" on pages 26 to 49 and the documents incorporated by reference into this Offering Circular. Words or expressions defined or used in the Conditions, shall, unless the contrary intention appears, have the same meaning in this overview.

Issuer:	Macquarie Bank Limited (ABN 46 008 583 542), a corporation constituted with limited liability under the laws of Australia, acting through its head office in Sydney, or, subject to APRA's prior written approval, through its London branch, or its Singapore branch, in each case, as may be specified in the relevant Pricing Supplement.
Description:	Subordinated Tier 2 Debt Instrument Programme.
Dealers:	Australia and New Zealand Banking Group Limited (ABN 11 005 357 522) Bank of China Limited BNP PARIBAS Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832) Citigroup Global Markets Limited Commonwealth Bank of Australia (ABN 48 123 123 124) Crédit Agricole Corporate and Investment Bank Deutsche Bank AG, London Branch Goldman Sachs Australia Pty Limited Goldman Sachs International The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch (ABN 65 117 925 970) ING Bank N.V. J.P. Morgan Securities Australia Limited (ABN 61 003 245 234) J.P. Morgan Securities plc Macquarie Bank Europe Designated Activity Company, acting through its Paris Branch Macquarie Bank Limited (ABN 46 008 583 542) Macquarie Bank Limited, London Branch Merrill Lynch (Australia) Futures Limited (ABN 34 003 639 674) Merrill Lynch International Morgan Stanley & Co. LLC MUFG Securities Asia Limited National Australia Bank Limited (ABN 12 004 044 937) Natixis SMBC Bank International plc Société Générale Wells Fargo Securities International Limited Westpac Banking Corporation (ABN 33 007 457 141) Macquarie Bank may from time to time terminate the appointment of any Dealer under the Programme or appoint additional dealers either in respect of a Tranche or in respect of the whole Programme.

Agents:	Citibank, N.A., London Branch has been appointed as an issuing and paying agent ("**I&P Agent**"). Citibank, N.A., London Branch has been appointed as transfer agent ("**Transfer Agent**"). Citibank, N.A., London Branch has been appointed as the registrar (the "**Euro Registrar**") in respect of Subordinated Debt Instruments (other than Subordinated Debt Instruments in the form of Australian Domestic Notes (as defined below)). No trustee has been appointed to represent investors in Subordinated Debt Instruments issued under the Programme.
Australian Registrar:	Austraclear Services Limited (ABN 28 003 284 419) has been appointed as the registrar (the "**Australian Registrar**") in respect of Subordinated Debt Instruments that are in the form of Australian Domestic Notes. "**Australian Domestic Note**" means any Subordinated Debt Instrument from time to time issued under the Programme as specified as such in the relevant Pricing Supplement, including but not limited to any Subordinated Registered Debt Instrument in Austraclear.
Programme:	A fully revolving non-underwritten programme allowing for the issuance of unsecured, subordinated debt obligations (subject to applicable legal and regulatory restrictions) as specified in the relevant Pricing Supplement.
Programme Limit:	A$10,000,000,000 (or its approximate equivalent in other currencies) at the date of this Offering Circular. The Programme Limit may be increased by Macquarie Bank in accordance with the Dealer Agreement dated 20 December 2023, as amended, restated and/or supplemented from time to time (the "**Dealer Agreement**").
Distribution:	Subordinated Debt Instruments may be distributed on a syndicated or non-syndicated basis.
Method of Issue:	Macquarie Bank may from time to time issue Subordinated Debt Instruments in one or more Tranches within one or more Series.
Maturities:	The minimum maturity of a Subordinated Debt Instrument is 5 years. The maturity of a Subordinated Debt Instrument will be as specified in the relevant Pricing Supplement.
Issue Price:	Subordinated Debt Instruments may be issued at an issue price as specified in the relevant Pricing Supplement. Subordinated Debt Instruments will be issued fully paid.
Pricing Supplement:	Each Pricing Supplement will provide particular information relating to a particular Tranche of Subordinated Debt Instruments including details of the form of the Subordinated Debt Instruments, the Series in which the Subordinated Debt Instruments will be issued and other information pertinent to the issue of those Subordinated Debt Instruments.

Deed of Covenant:	Holders of Subordinated Debt Instruments (other than Subordinated Debt Instruments in the form of Australian Domestic Notes) will have the benefit of the Deed of Covenant dated 20 December 2023 ("**Deed of Covenant**"), as the same may be amended, restated and/or supplemented from time to time.
Australian Note Deed Poll	Holders of Subordinated Debt Instruments in the form of Australian Domestic Notes will have the benefit of the deed poll made by the Issuer dated 20 December 2023 ("**Australian Note Deed Poll**"), as the same may be amended, restated and/or supplemented from time to time. Australian Domestic Notes are debt obligations of the Issuer constituted by, and owing under, the Australian Note Deed Poll.
Deed of Undertaking:	Subordinated Debt Instrument Holders will have the benefit of the MGL Deed of Undertaking dated 20 December 2023 ("**Deed of Undertaking**"), as the same may be amended, restated and/or supplemented from time to time. Pursuant to the Deed of Undertaking, MGL irrevocably undertakes to perform its obligations relating to an Exchange (including in connection with the issue and delivery of MGL Ordinary Shares to Subordinated Debt Instrument Holders upon an Exchange), to use all reasonable endeavours to procure quotation of the MGL Ordinary Shares issued or arising from an Exchange on the Australian Securities Exchange ("**ASX**"), to ensure that the MGL Ordinary Shares issued or arising from an Exchange will rank equally with all other fully paid MGL Ordinary Shares, and from the applicable Non-Viability Date (subject to the provisions of the Conditions relating to Write-Off), to treat each Subordinated Debt Instrument Holder as the holder of the Exchange Number of MGL Ordinary Shares and to take all such steps, including updating any register, required to record the Exchange, and to otherwise comply with Conditions. MGL has no other obligation or liability in respect of any Subordinated Debt Instrument or portion thereof. The remedies of a Subordinated Debt Instrument Holder in respect of any failure of MGL to issue the MGL Ordinary Shares upon an Exchange are limited in accordance with the Conditions and the Deed of Undertaking.
Euro Agency Agreement:	Subordinated Debt Instruments (other than Subordinated Debt Instruments in the form of Australian Domestic Notes) are issued pursuant to the agency agreement dated 5 June 2026, as the same may be amended, restated and/or supplemented from time to time (the "**Euro Agency Agreement**") between the Issuer, the I&P Agent, the Transfer Agent, the Euro Registrar and any other agents subsequently appointed, successors thereto in such capacity and any additional or substitute agents from time to time.
Australian Registry Agreement	The Issuer has entered into an agreement dated 28 July 2009 with the Australian Registrar (the "**Australian Registry Agreement**"), as the same may be amended, restated and/or supplemented from time to time, which governs the agency and registry agreements in respect of the Australian Domestic Notes.

Form of Subordinated Debt Instruments:	The form of particular Subordinated Debt Instruments will be determined by Macquarie Bank and the relevant Dealer(s) prior to their issue date. Subordinated Debt Instruments will be issued in one or Tranches within one or more Series. Tranches of Subordinated Debt Instruments within a particular Series may have various issue dates, issue prices and interest commencement dates and, in respect of the first interest payment (if any), different interest payment amounts but will otherwise be issued on identical terms and conditions, provided that the requirements of APRA for the Subordinated Debt Instruments to be eligible to be treated as Tier 2 Capital are met in respect of each Tranche. Each Series of Subordinated Debt Instruments will (a) (other than in the case of Subordinated Debt Instruments in the form of Australian Domestic Notes) be represented on issue by a subordinated temporary global debt instrument in bearer form without coupons or talons (each a "**Subordinated Temporary Global Debt Instrument**") or a subordinated permanent global debt instrument in bearer form (each a "**Subordinated Permanent Global Debt Instrument**") (together, "**Subordinated Global Debt Instruments**"), or (b) take the form of an entry in a register ("**Subordinated Registered Debt Instrument**"). Australian Domestic Notes will be issued in registered form only and may be lodged in the Austraclear System (for so long as such Subordinated Debt Instrument remains so lodged, a "**Subordinated Registered Debt Instrument in Austraclear**"). Subordinated Global Debt Instruments may be deposited on the issue date with a common depositary on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**"). Subordinated Registered Debt Instruments in Austraclear will be registered in the name of Austraclear Limited (ABN 94 002 060 773) ("**Austraclear**"). Title to the Subordinated Registered Debt Instruments in Austraclear will be determined in accordance with the rules and regulations of the Austraclear System. The Issuer may apply to Austraclear for approval for the Subordinated Debt Instruments to be traded on the Austraclear System. Such approval of the Subordinated Debt Instruments by Austraclear is not a recommendation or endorsement by Austraclear of the Subordinated Debt Instruments. Where the Subordinated Debt Instruments are held in Austraclear, any potential investor in the Subordinated Debt Instruments who is not a "Participant" as defined in the Austraclear Regulations (an "**Austraclear Participant**") will have to maintain arrangements with an Austraclear Participant in order to hold an interest in Subordinated Debt Instruments. The Issuer has no responsibility for these arrangements or for the performance by any Austraclear Participant of its obligations. No certificate or other evidence of title will be issued in respect of Subordinated Registered Debt Instruments, including Australian

	Domestic Notes, unless Macquarie Bank determines that certificates should be available or it is required to do so pursuant to applicable law, directive or regulation.
Use of Proceeds:	Proceeds realised from the issuance of a Tranche of Subordinated Debt Instruments will be used by Macquarie Bank for the Macquarie Bank Group's general corporate purposes or such other purposes as may be specified in the relevant Pricing Supplement.
Regulatory capital treatment	The Subordinated Debt Instruments are expected to constitute regulatory capital of Macquarie Bank which satisfies APRA's regulatory capital requirements for Tier 2 Capital.
Currencies:	Subject to any applicable legal or regulatory requirements, such currencies as may be agreed between Macquarie Bank and the relevant Dealer(s), including, without limitation, U.S. Dollars, Australian Dollars, New Zealand Dollars, Sterling, Yen, Singapore Dollars, Hong Kong Dollars, Euro or any other currency.
Status and ranking of the Subordinated Debt Instruments:	Subordinated Debt Instruments and any related Coupons will be direct, unsecured, subordinated and general obligations of Macquarie Bank. Subordinated Debt Instruments will rank *pari passu*, without any preference among themselves, and will in a winding-up of Macquarie Bank be subordinated in right of payment to the claims of Senior Creditors as more fully described in Condition 4. In Macquarie Bank's winding-up, the rights of a Subordinated Debt Instrument Holder against Macquarie Bank to recover any amount (whether principal, interest or otherwise) in respect of a Subordinated Debt Instrument: (a) shall be subordinate and junior in right of payment to Macquarie Bank's obligations to Senior Creditors, to the extent that all claims in respect of such obligations to Senior Creditors shall be entitled to be paid in full before any payment shall be paid on account of any amount owing in respect of a Subordinated Debt Instrument; (b) shall rank *pari passu* and rateably (as to its due proportion only) with Macquarie Bank's other subordinated creditors in respect of Equal Ranking Obligations; and (c) shall be senior and rank ahead in right of payment to Macquarie Bank's obligations in respect of Junior Ranking Obligations. In Macquarie Bank's winding-up, Subordinated Debt Instrument Holders shall only be entitled to prove for any amount in respect of their Subordinated Debt Instruments as a debt which is subject to and contingent upon prior payment in full of the Senior Creditors. Subordinated Debt Instrument Holders waive to the fullest extent permitted by law any right to prove in any such Winding-Up as a creditor ranking for payment in any other manner.

	Holders should be aware that a Non-Viability Event could occur before or after Macquarie Bank is in a winding-up, and that following a Non-Viability Event it is likely that the Subordinated Debt Instruments will be Exchanged for MGL Ordinary Shares or Written-Off as described in section 3.1.8. Any MGL Ordinary Shares issued or arising from an Exchange will rank equally with all other fully paid MGL Ordinary Shares. If a Subordinated Debt Instrument is Written-Off, the Holder's rights under that Subordinated Debt Instrument are immediately and irrevocably terminated for no consideration and the Holder will suffer a total loss of their investment as a consequence. See further section 3.1.9. *Macquarie Bank is an ADI as that term is defined under the Banking Act. See "Australian Banking Legislation" on page 9 for important information on the Banking Act.*
Solvency Condition:	Prior to the commencement of a Winding-Up of Macquarie Bank: (a) Macquarie Bank's obligation to make payment of any amount (whether principal, interest or otherwise) in respect of the Subordinated Debt Instruments is conditional upon the Issuer being solvent at the time the payment falls due; and (b) no payment of any amount (whether principal, interest or otherwise) shall be made in respect of the Subordinated Debt Instruments, except to the extent that the Issuer may make such payment and shall be solvent immediately thereafter, (the "**Solvency Condition**"). Any amount not paid on account of the Solvency Condition remains a debt owing to the Subordinated Debt Instrument Holder by the Issuer until it is paid and will be payable on the first date on which payment can be made in compliance with the Solvency Condition.
Interest-bearing Subordinated Debt Instruments:	Interest will be payable on Subordinated Debt Instruments at a fixed or floating rate (or combination thereof) on such basis and on such date or dates as may be agreed between Macquarie Bank and the relevant Dealer(s) (as is specified in the relevant Pricing Supplement) and on Redemption.
Redemption:	The relevant Pricing Supplement will specify either that Subordinated Debt Instruments cannot be redeemed prior to their stated maturity (other than following the occurrence of a Tax Event or a Regulatory Event) or that such Subordinated Debt Instruments will be redeemable at the option of Macquarie Bank upon giving notice to such Subordinated Debt Instrument Holders, on a date or dates specified prior to such stated maturity, or following the occurrence of a Tax Event or a Regulatory Event, in each case, subject to the prior written approval of APRA. See section 3.1.15 for further information.

	Holders should not expect that APRA's approval will be given for any early Redemption or purchase of Subordinated Debt Instruments.
Denominations:	Subordinated Debt Instruments will be issued in such denominations as specified in the relevant Pricing Supplement (if any) or (in other cases) as agreed between Macquarie Bank and the relevant Dealer(s).
Cross Default:	None.
Exchange of Subordinated Debt Instruments for MGL Ordinary Shares following a Non-Viability Event:	Macquarie Bank will be required to Exchange all or some Subordinated Debt Instruments for MGL Ordinary Shares (or, if Exchange has not occurred for any reason within 5 Business Day, Write-Off all or some Subordinated Debt Instruments) if a Non-Viability Event occurs. Broadly, a Non-Viability Event occurs if APRA (1) issues a written notice to the Issuer that the exchange or conversion into MGL Ordinary Shares, or write-off, of Relevant Securities (including the Subordinated Debt Instruments) is necessary because without such action APRA considers that Macquarie Bank would become non-viable or (2) has notified Macquarie Bank in writing that it has determined that without a public sector injection of capital, or equivalent support, Macquarie Bank would become non-viable. If the Non-Viability Event arises on account of a notice by APRA that a public sector injection of capital is required, all Subordinated Debt Instruments must be Exchanged. APRA has not provided specific guidance as to how it would determine non-viability. However, APRA has indicated that non-viability is likely to arise prior to the insolvency of an ADI. Non-viability could be expected to include serious impairment of Macquarie Bank's financial position and insolvency. However, it is possible that APRA's definition of non-viable may not necessarily be confined to solvency measures or capital levels and may also include other matters such as liquidity. APRA has indicated that at this time it will not publish guidance on the specific parameters used to determine non-viability. For information as to consequences of a Non-Viability Event and the number of MGL Ordinary Shares to be issued on Exchange, see Conditions 7 and 8 and section 3.1.8.
Write-Off if Exchange does not occur when required:	If the Subordinated Debt Instruments have not been Exchanged, for any reason, within 5 Business Days of a Non-Viability Date, they must be Written-Off. If a Subordinated Debt Instrument is Written-Off, the Holder's rights under that Subordinated Debt Instrument are immediately and irrevocably terminated for no consideration and the Holder will suffer a total loss of their investment as a consequence. See further section 3.1.9.
No right to request Exchange:	A Subordinated Debt Instrument Holder cannot require the Issuer to redeem or Exchange all or some of the Subordinated Debt Instrument

held by that Subordinated Debt Instrument Holder before their Maturity Date.

No set-off	Neither the Issuer nor any Subordinated Debt Instrument Holder shall be entitled to: (a) set-off against any amounts owing in respect of a Subordinated Debt Instrument held by such holder any amount held by the holder to Macquarie Bank's credit whether in any account, in cash or otherwise, or any of its deposits, advances or debts, or any other amount owing by a holder to the Issuer on any account whatsoever; or (b) effect any reduction of the amount owing to such holder in respect of a Subordinated Debt Instrument by merger of accounts or lien or the exercise of any other rights the effect of which is or may be to reduce the amount due in respect of such Subordinated Debt Instruments
Withholding Tax:	All payments by Macquarie Bank in respect of the Subordinated Debt Instruments will 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 or levied by or on behalf of Australia or the country in which the branch of account for the Subordinated Debt Instruments is located, or in each case, any political subdivision thereof or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law or is made for or on account of FATCA (as defined in the Conditions). If Macquarie Bank is required to make such a withholding or deduction, then, subject to customary exceptions (which include, without limitation, a deduction made for or on account of FATCA) as provided in Condition 10 or as otherwise specified in the Deed of Covenant or Australian Note Deed Poll (as relevant), Macquarie Bank will pay an additional amount to cover the amounts so withheld or deducted. See "Tax Considerations" on pages 154 to 161 inclusive of this Offering Circular for further information.
Credit Ratings:	As at the date of this Offering Circular, the Programme is rated as follows: Moody's Investors Service Pty Limited ("**Moody's**"): A3 S&P Global Ratings Australia Pty Ltd (**S&P**): BBB+ In December 2025, APRA finalised its plans to phase out Additional Tier 1 Capital ("**AT1**") securities for Australian banks. The Issuer expects that under Moody's current Advanced Loss Given Failure methodology, the removal of this layer of subordinated debt will result in Moody's downgrading Macquarie Bank's long-term subordinated debt rating from A3 to Baa1. However, it is uncertain when this downgrade will occur.

	One or more independent rating agencies may assign credit ratings to the Subordinated Debt Instruments to be issued by Macquarie Bank under the Programme. The rating(s) (if any) of the Subordinated Debt Instruments will be specified in the relevant Pricing Supplement. The ratings of the Programme or the Subordinated Debt Instruments 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 Subordinated Debt Instruments. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, cancellation, reduction or withdrawal at any time by the assigning rating agency. Each rating should be evaluated independently of any other rating. There are references in this Offering Circular to credit ratings. In Australia, credit ratings must only be distributed to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Offering Circular and anyone who receives this Offering Circular must not distribute it to any person who is not entitled to receive it.
Governing Law:	The Subordinated Debt Instruments will be governed by and construed in accordance with New South Wales law.
Listing and Admission to Trading:	Application may be made for the admission of Subordinated Debt Instruments of a Series to quotation on the wholesale debt securities market operated by the ASX, as specified in the relevant Pricing Supplement.
Selling and Transfer Restrictions:	The offering, sale, delivery and transfer of Subordinated Debt Instruments and the distribution of this Offering Circular and other material in relation to any Subordinated Debt Instruments are subject to restrictions as may apply in any country in connection with the offering and sale of a particular Tranche of Subordinated Debt Instruments including, in particular, restrictions in Australia, the United States, the European Economic Area, the United Kingdom, the Republic of Italy, Hong Kong, Singapore, Japan, Canada, Korea, Taiwan, the PRC and New Zealand. See "Subscription and Sale" on pages 145 to 153 of this Offering Circular. In addition, the Subordinated Debt Instruments may be subject to certain restrictions on resales and transfers in the sections headed "Important Notices" on pages 1 to 12 inclusive of this Offering Circular.

2. Documents Incorporated by Reference

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated into it by reference as set out below. This Offering Circular shall, unless otherwise expressly stated, be read and construed on the basis that such documents are so incorporated and form part of this Offering Circular.

The following documents are incorporated in, and taken to form part of, this Offering Circular:

- all amendments and supplements to this Offering Circular prepared and issued by the Issuer from time to time;

- the audited annual financial statements of Macquarie Bank and the consolidated annual financial statements of Macquarie Bank and its subsidiaries (together, the "**MBL Financial Statements**") as at and for each of the two most recent financial years ended 31 March, and the independent auditor's report in respect of such annual consolidated financial statements, which are set out in, and form part of, Macquarie Bank's two most recent full year annual reports (which are published on www.macquarie.com.au, or Macquarie Bank's website as updated from time to time).

  The MBL Financial Statements as at and for each of the two most recent financial years ended 31 March comprise the Income Statements, Statements of Comprehensive Income, Statements of Financial Position, Statements of Changes in Equity, Statements of Cash Flows, Notes to the Financial Statements, Consolidated Entity Disclosure Statement, the Directors' Declaration and the Independent Auditor's Reports as set out in the two most recent full year annual reports of Macquarie Bank. The MBL Financial Statements and the Independent Auditor's Reports can be located in the sections entitled as such in the full year annual reports;

- the interim unaudited consolidated financial statements of Macquarie Bank and its subsidiaries (together, the "**MBL Interim Financial Statements**") as at and for each of the two most recent financial half years ended 30 September, which are set out in, and form part of, Macquarie Bank's interim financial reports for the two most recent financial half years (which are published on www.macquarie.com.au, or Macquarie Bank's website as updated from time to time).

  The MBL Interim Financial Statements as at and for each of the two most recent financial half years ended 30 September comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, Notes to the Consolidated Financial Statements, Directors' Declaration and the Independent Auditor's Review Report as set out in the two most recent half year interim financial reports of Macquarie Bank. The MBL Interim Financial Statements and the Independent Auditor's Review Reports can be located in the sections entitled as such in the interim financial reports;

- the audited annual financial statements of MGL and the consolidated annual financial statements of MGL and its subsidiaries (together, the "**MGL Financial Statements**") as at and for each of the two most recent financial years ended 31 March, and the independent auditor's report in respect of such annual consolidated financial statements, which are set out in, and form part of, MGL's two most recent full year annual reports (which are published on www.macquarie.com.au, or MGL's website as updated from time to time).

  The MGL Financial Statements as at and for each of the two most recent financial years ended 31 March comprise the Income Statements, Statements of Comprehensive Income, Statements of Financial Position, Statements of Changes in Equity, Statements of Cash Flows, Notes to the Financial Statements, Consolidated Entity Disclosure Statement, the Directors' Declaration and the Independent Auditor's Reports as set out in the two most recent full year annual reports of MGL. The

MGL Financial Statements and the Independent Auditor's Reports can be located in the sections entitled as such in the full year annual reports;

- the interim unaudited consolidated financial statements of MGL and its subsidiaries (together, the "**MGL Interim Financial Statements**") as at and for each of the two most recent financial half years ended 30 September, which are set out in, and form part of, MGL's interim financial reports for the two most recent financial half years (which are published on www.macquarie.com.au, or MGL's website as updated from time to time).

  The MGL Interim Financial Statements as at and for each of the two most recent financial half years ended 30 September comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, Notes to the Consolidated Financial Statements, Directors' Declaration and the Independent Auditor's Review Report as set out in the two most recent half year interim financial reports of MGL. The MGL Interim Financial Statements and the Independent Auditor's Review Reports can be located in the sections entitled as such in the interim financial reports;

- the risk factors contained in the section headed "Factors that may affect the Issuer's ability to fulfil its obligations under PR Debt Instruments issued under the Programme" (or such other section which replaces it from time to time) of the most recently published offering memorandum for the issue of debt instruments issued by Macquarie Bank under its U.S.$25,000,000,000 Debt Issuance Programme ("**MBL DIP**"), as further amended and supplemented from time to time, provided that for the purposes of this Offering Circular:

  - all references to "PR Debt Instruments" shall be taken to be references to the Subordinated Debt Instruments;

  - all references to "Programme" shall be taken to be references to the Programme as described in this Offering Circular; and

  - all references to "Base Prospectus" shall be taken to be references to this Offering Circular;

- the description of Macquarie Bank contained in the section headed "Macquarie Bank Limited" (or such other section which replaces it from time to time) of the most recently published offering memorandum for the issue of debt instruments issued by Macquarie Bank under the MBL DIP, other than the text under the headings "Profit Estimate", "Lawsuits and Contingent Liabilities", "Material Contracts" and "Credit Rating", as further amended and supplemented from time to time, provided that for the purposes of this Offering Circular:

  - all references to "PR Debt Instruments" shall be taken to be references to the Subordinated Debt Instruments;

  - all references to "Programme" shall be taken to be references to the Programme as described in this Offering Circular; and

  - all references to "Base Prospectus" shall be taken to be references to this Offering Circular;

- the risk factors contained in the section headed "Factors that may affect the Issuer's ability to fulfil its obligations under PR Debt Instruments issued under the Programme" (or such other section which replaces it from time to time) of the most recently published offering memorandum for the issue of debt instruments issued by MGL under its U.S.$20,000,000,000 Debt Issuance Programme ("**MGL DIP**"), as further amended and supplemented from time to time, provided that for the purposes of this Offering Circular:

    - all references to "PR Debt Instruments" shall be taken to be references to the Subordinated Debt Instruments;

    - all references to "Programme" shall be taken to be references to the Programme as described in this Offering Circular; and

    - all references to "Base Prospectus" shall be taken to be references to this Offering Circular;

- the description of MGL contained in the section headed "Macquarie Group Limited" (or such other section which replaces it from time to time) of the most recently published offering memorandum for the issue of debt instruments issued by MGL under the MGL DIP, other than the text under the headings "Profit Estimate", "Lawsuits and Contingent Liabilities", "Material Contracts" and "Credit Rating", as further amended and supplemented from time to time, provided that for the purposes of this Offering Circular:

    - all references to "PR Debt Instruments" shall be taken to be references to the Subordinated Debt Instruments;

    - all references to "Programme" shall be taken to be references to the Programme as described in this Offering Circular; and

    - all references to "Base Prospectus" shall be taken to be references to this Offering Circular;

- the two most recent Pillar 3 Disclosure Documents published by Macquarie Bank, which describe Macquarie Bank's capital position, risk management policies and risk management framework and the measures adopted to monitor and report within this framework ("**Pillar 3 Disclosure Documents**");

- the constitution of Macquarie Bank ("**MBL Constitution**");

- the constitution of MGL ("**MGL Constitution**");

- the Australian Note Deed Poll;

- the Deed of Covenant;

- the Deed of Undertaking; and

- all documents issued by the Issuer and expressly stated to be incorporated in this Offering Circular by reference.

* * * * * * *

To the extent that there is any inconsistency between information set out in this Offering Circular and any document incorporated by reference (other than the Australian Note Deed Poll, the Deed of Covenant, the Deed of Undertaking, the MBL Constitution or the MGL Constitution), the information set out in this Offering Circular shall prevail to the extent of the inconsistency. The Australian Note Deed Poll, the Deed of Covenant, the Deed of Undertaking, the MBL Constitution and the MGL Constitution govern their respective subject matter to the extent of any inconsistency.

Except as expressly provided above, no other information, including information on www.macquarie.com.au or any other website or in any document incorporated by reference in any of the documents described above, is incorporated by reference into this Offering Circular.

Prior to the issuance of any Subordinated Debt Instruments under the Programme, documents incorporated in this Offering Circular by reference will be made available on the internet site https://www.macquarie.com/au/en/investors/debt-investors/unsecured-funding.html or, in the case of the Pillar 3 Disclosure Documents, on the internet site https://www.macquarie.com/au/en/investors/regulatory-disclosures.html.

All information which Macquarie Bank has published or made available to the public in compliance with its obligations under the laws of the Commonwealth of Australia dealing with the regulation of securities, issuers of securities and securities markets has been released to the ASX in compliance with the continuous disclosure requirements of the ASX Listing Rules.

3. Risk Factors

This section describes the risks the Issuer believes may be material for the purpose of assessing the risks associated with the Subordinated Debt Instruments and the market for the Subordinated Debt Instruments generally. They are not an exhaustive description of all the risks associated with an investment in the Subordinated Debt Instruments and the Issuer may be unable to fulfil its payment or other obligations under or in connection with the Subordinated Debt Instruments due to a factor which the Issuer did not consider to be a material risk based on information currently available to it or which it may not currently be able to anticipate. The Issuer is not in a position to express a view on the likelihood of any such factors occurring.

Any investment in the Subordinated Debt Instruments issued under the Programme will involve risks including those described in this section. All principal or material risks that have been identified by the Issuer are included in this section. The risks and uncertainties described below are not the only ones that the Issuer may face. Additional risks and uncertainties that the Issuer is unaware of, or that it currently deems to be immaterial, may also become important risk factors that affect the Issuer.

Prospective investors should carefully consider the following discussion of the risk factors and the other information in this Offering Circular and consult their own financial and legal advisers about the risks and investment considerations associated with the Subordinated Debt Instruments and the appropriate tools to analyse such an investment before deciding whether an investment in the Subordinated Debt Instruments is suitable for them.

As at the date of this Offering Circular, the Issuer believes that the following risk factors may affect the Issuer's ability to fulfil its obligations or ability to perform its obligations, under or in respect of the Subordinated Debt Instruments and could be material for the purpose of assessing the market risks associated with the Subordinated Debt Instruments.

If any of the listed or unlisted risks actually occur, the Issuer's business operations, financial condition or reputation could be materially adversely affected, with the result that the trading price of the Subordinated Debt Instruments of the Issuer could decline, and an investor could lose all or part of its investment. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular and reach their own views prior to making any investment decision.

Risks relating to Subordinated Debt Instruments, the market generally and the market for Subordinated Debt Instruments have been discussed below. Risks relating to an investment in the Issuer have been incorporated by reference from the most recently published offering memorandum for the issue of debt instruments issued by Macquarie Bank under the MBL DIP, as further amended and supplemented from time to time (see "Documents Incorporated by Reference"). Risks relating to an investment in MGL have been incorporated by reference from the most recently published offering memorandum for the issue of debt instruments issued by MGL under the MGL DIP, as further amended and supplemented from time to time (see "Documents Incorporated by Reference").

3.1 Risks relating to Subordinated Debt Instruments and the market generally

3.1.1 Investments in the Subordinated Debt Instruments are not deposit liabilities and are not protected accounts under the Banking Act

Investments in the Subordinated Debt Instruments are an investment in Macquarie Bank and may be affected by the ongoing performance, financial position and solvency of the Macquarie Group. The Subordinated Debt Instruments are not deposit liabilities and are not protected accounts for the purposes of the depositor protection provisions in Division 2 of Part II of the Banking Act or of the Financial Claims Scheme established under Division 2AA of Part II of under the Banking Act. The Subordinated Debt Instruments are not guaranteed by any government, government agency or compensation scheme of Australia or by any other person or any other jurisdiction.

3.1.2 Investments in the Subordinated Debt Instruments are not protected by the FSCS

Unlike a bank deposit, the Subordinated Debt Instruments are not protected by the FSCS. As a result, neither the FSCS nor anyone else will pay compensation upon the failure of Macquarie Bank. If Macquarie Bank goes out of business or becomes insolvent, investors may lose all or part of their investment in the Subordinated Debt Instruments.

3.1.3 The Subordinated Debt Instruments do not have the benefit of any third party guarantees or security

Investors should be aware that no guarantee is given in relation to the Subordinated Debt Instruments by the shareholders of Macquarie Bank or any other person. The Subordinated Debt Instruments are not guaranteed by the government of Australia. Accordingly, in the event that Macquarie Bank is unable to fulfil its obligations under the Subordinated Debt Instruments, such obligations would not necessarily be assumed by any other person.

Investors should also be aware that the Subordinated Debt Instruments and related Coupons will be unsecured and subordinated obligations of Macquarie Bank (as more fully described in section 3.1.11 below). Accordingly, Macquarie Bank's obligations under the Subordinated Debt Instruments will not be satisfied unless Macquarie Bank can satisfy in full all of its obligations ranking senior to the Subordinated Debt Instruments. There is no restriction on the amount or terms of senior ranking, equal ranking or other securities which may be issued or incurred by Macquarie Bank.

3.1.4 Suitability

The Subordinated Debt Instruments are a complex investment and may be difficult to understand, even for experienced investors. Potential investors should ensure that they understand the Subordinated Debt Instruments and risks of investing in the Subordinated Debt Instruments and consider whether they are an appropriate investment for their particular circumstances.

3.1.5 Market price and liquidity of the Subordinated Debt Instruments

The market price of the Subordinated Debt Instruments may fluctuate due to various factors, including poor financial performance by the Macquarie Group, a change in Macquarie Group's financial position, investor perceptions, worldwide economic conditions, interest rates, movements in the market price of MGL Ordinary Shares, foreign exchange rates, debt market conditions, the availability of better rates of return on other securities or investments and other factors that may affect the Macquarie Group's financial performance and position. The Subordinated Debt Instruments may trade at a market price below their Issue Price.

Where the Subordinated Debt Instruments are to be Exchanged or redeemed for any reason, the announcement of these events may have a significant impact on the market price and liquidity of the Subordinated Debt Instruments and the MGL Ordinary Shares.

Financial markets can be volatile, with the potential for significant fluctuations in the price of securities over a short period. This applies to the market price of both the Subordinated Debt Instruments and MGL Ordinary Shares. Potential investors should carefully consider this risk before deciding to invest in the Subordinated Debt Instruments.

Macquarie Bank may seek the admission of a Series of Subordinated Debt Instruments to quotation on the wholesale debt securities market operated by ASX (or any other stock exchange or market as specified in the relevant Pricing Supplement). There is no guarantee that any particular Series of Subordinated Debt Instruments will be quoted on the ASX (or any other stock exchange or market). Pricing information for the Subordinated Debt Instruments may be more difficult to obtain than pricing information regarding MGL Ordinary Shares or comparable securities issued by members of the Macquarie Group or other entities.

Further, in the case of Subordinated Registered Debt Instruments in Austraclear, Holders should be aware that the Austraclear System does not provide a price discovery mechanism.

Subordinated Debt Instrument Holders who wish to sell their Subordinated Debt Instruments before their Maturity Date may incur loss if the Subordinated Debt Instruments trade at a market price below the amount at which the Subordinated Debt Instruments were acquired. The Issuer is unable to forecast or guarantee the market price of the Subordinated Debt Instruments. Unlike MGL Ordinary Shares, the Subordinated Debt Instruments do not provide a material exposure to growth in the Macquarie Group's business.

There is no guarantee that a liquid market will develop for Subordinated Debt Instruments and there is a risk that there may be no liquid market, or any market, for Subordinated Debt Instruments. Any market for the Subordinated Debt Instruments may also be less liquid than the market for MGL Ordinary Shares or comparable securities issued by members of the Macquarie Group or other entities and may be volatile. The liquidity of the Subordinated Debt Instruments may also be affected by restrictions on offers and sales of the Subordinated Debt Instruments in some jurisdictions. Therefore, investors may not be able to sell their Subordinated Debt Instruments easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market at prices higher than the relevant investor's initial investment. Accordingly, in establishing their investment strategy, investors should ensure that the term of the Subordinated Debt Instruments is in line with their future liquidity requirements.

3.1.6 Market price and liquidity of MGL Ordinary Shares

Any MGL Ordinary Shares issued on Exchange will rank equally with existing and future MGL Ordinary Shares. Accordingly, the ongoing value of the MGL Ordinary Shares received will depend on the market price of MGL Ordinary Shares after an Exchange.

Potential investors in the Subordinated Debt Instruments should understand that, if a Non-Viability Event occurs and Subordinated Debt Instruments are Exchanged for MGL Ordinary Shares, investors will be obliged to accept the MGL Ordinary Shares even if they do not consider such shares to be an appropriate investment for them at the time and despite any change in the financial position of MGL since the issue of the Subordinated Debt Instruments or any disruption to the market for those shares or to capital markets generally.

Upon Exchange, the Subordinated Debt Instrument Holders will receive a certain number of MGL Ordinary Shares per each Subordinated Debt Instrument, based on the VWAP (which is calculated by reference to the daily volume weighted average sale price of MGL Ordinary Shares) over a period of ASX Trading Days immediately preceding the Non-Viability Date. By the time of Exchange, the market price of the MGL Ordinary Shares will likely vary from that used to determine the Exchange Number and consequently the value of MGL Ordinary Shares received will be more or less than the value based on the VWAP. The number of MGL Ordinary Shares to be received by a Subordinated Debt Instrument Holder in respect of its aggregate holding of the Subordinated Debt Instruments will be rounded down to a whole number (with entitlements of the Subordinated Debt Instrument Holder to a part only of an MGL Ordinary Share disregarded).

The market price of MGL Ordinary Shares may fluctuate due to various factors, including poor financial performance by the Macquarie Group, a change in Macquarie Group's financial position, investor perceptions, worldwide economic conditions, interest rates, foreign exchange rates, debt market conditions, the availability of better rates of return on other securities or investments and other factors that may affect the Macquarie Group's financial performance and position.

Where the Subordinated Debt Instruments are Exchanged for MGL Ordinary Shares, there may be no liquid market for MGL Ordinary Shares at the time of Exchange, or the market may be less liquid than that for comparable securities issued by other entities at the time of Exchange. Furthermore, the sale of MGL Ordinary Shares issued upon Exchange of the Subordinated Debt Instruments may also be restricted by applicable Australian law, including restrictions under the Corporations Act on the sale of MGL Ordinary Shares to investors within 12 months of their issue (except where certain exemptions apply) as a result of the

Subordinated Debt Instruments and the MGL Ordinary Shares being issued without MGL having made a prospectus or equivalent disclosure as required by the Corporations Act. The restrictions may apply to sales by any nominee for investors as well as sales by investors, and investors may suffer loss as a result of such restrictions. These restrictions may not apply if MGL has made certain disclosures to the market, however, MGL has no obligation to make such disclosures.

As a consequence, Subordinated Debt Instrument Holders who wish to sell the MGL Ordinary Shares they may receive may be unable to do so at an acceptable price, or at all, if the market for MGL Ordinary Shares is illiquid.

In addition, there is no guarantee that MGL Ordinary Shares will remain continuously quoted on ASX. Trading of ASX listed securities may be suspended in certain circumstances.

3.1.7 Risks upon Exchange for MGL Ordinary Shares

MGL Ordinary Shares are a different type of investment from the Subordinated Debt Instruments. For example, dividends on MGL Ordinary Shares are not determined by a formula. MGL Ordinary Shares rank behind the claims of all other securities and debts of MGL in a Winding-Up of MGL. MGL Ordinary Shares trade in a manner that is likely to be more volatile than that of the Subordinated Debt Instruments and the market price is expected to be more sensitive to changes in the performance, prospects and business of the Macquarie Group.

Other events and conditions may affect the ability of the Subordinated Debt Instrument Holders to trade or dispose of MGL Ordinary Shares issued on Exchange. For example, the willingness or ability of ASX to accept the MGL Ordinary Shares issued on Exchange for quotation or any practical issues which affect that quotation, any disruption to the market for the MGL Ordinary Shares or to capital markets generally, the availability of purchasers for MGL Ordinary Shares and any costs or practicalities associated with trading or disposing of MGL Ordinary Shares at that time.

3.1.8 Impact of a Non-Viability Event

If a Non-Viability Event occurs, Macquarie Bank must immediately Exchange some or all the Subordinated Debt Instruments for MGL Ordinary Shares.

A Non-Viability Event will occur if APRA has notified the Issuer in writing that:

- Relevant Securities (as defined below) must be subject to Loss Absorption because, without such Loss Absorption, APRA considers the Issuer would become non-viable; or

- APRA has determined that without a public sector injection of capital, or equivalent support, the Issuer would become non-viable.

The prudential standards do not define non-viability and, as at the date of this Offering Circular, APRA has not provided specific guidance as to how it would determine non-viability. However, APRA has indicated that non-viability is likely to arise prior to the insolvency of an ADI. Non-viability could be expected to include serious impairment of Macquarie Bank's financial position and insolvency. However, it is possible that APRA's definition of non-viable may not necessarily be confined to solvency measures or capital levels and may also include other matters such as liquidity. APRA has indicated that at this time it will not publish guidance on the specific parameters used to determine non-viability.

Non-viability may arise as a result of many factors including factors which impact the business, operation and financial condition of Macquarie Bank. See the discussion of risks associated with the Macquarie Group, below. There are many ways in which a Non-Viability Event may occur and a Non-Viability Event may result in a Subordinated Debt Instrument Holder losing some or all of their investment.

If a Non-Viability Event occurs, some or all the Subordinated Debt Instruments on issue may be required to be immediately Exchanged into MGL Ordinary Shares. If the Non-Viability Event arises on account of a notice by APRA that a public sector injection of capital is required, all Subordinated Debt Instruments must be Exchanged.

Under the Conditions, where a Non-Viability Event occurs and not all Subordinated Debt Instruments are required to be Exchanged, the Issuer will determine the number of Subordinated Debt Instruments to be Exchanged in accordance with the following:

(a) first, all Relevant Tier 1 Securities shall be subject to Loss Absorption; and

(b) second, if Loss Absorption in respect of Relevant Tier 1 Securities is not sufficient to satisfy APRA's requirements, the required amount of Subordinated Debt Instruments and other Relevant Tier 2 Securities shall be subject to Loss Absorption on an approximately proportionate basis.

There is no obligation on Macquarie Bank to issue, or maintain on issue, any Relevant Tier 1 Securities or Relevant Tier 2 Securities (together, "**Relevant Securities**") that it has issued or may decide to issue in the future. As a result, if a Non-Viability Event requiring the Exchange of some but not all Subordinated Debt Instruments occurs, the relative impact on the Subordinated Debt Instrument Holders will depend on the amount of Relevant Securities other than the Subordinated Debt Instruments (if any) that are on issue at that time. In addition, Subordinated Debt Instrument Holders should be aware that there is no requirement that the rights attaching to MGL Ordinary Shares be cancelled or limited before Relevant Securities (including Subordinated Debt Instruments) are subject to loss absorption.

In December 2024, APRA confirmed it will phase out AT1 securities to simplify and improve the effectiveness of bank capital in a crisis. APRA finalised these amendments in December 2025, and this updated framework will come into effect from 1 January 2027.

APRA's updated framework requires large, internationally active banks (including the Issuer) to replace the AT1 securities they have on issue (under current rules, such banks are allowed to issue up to 1.5% of their risk-weighted assets of AT1 securities) with up to 1.25% of risk-weighted assets of Tier 2 Capital and up to 0.25% of risk-weighted assets of Common Equity Tier 1 capital. Once the Issuer ceases issuing AT1 securities, the amount of AT1 securities the Issuer has outstanding will decline over time to zero, and except to the extent it is replaced by Common Equity Tier 1 capital, the amount of Tier 1 Capital the Issuer has outstanding will similarly decrease. Reducing the amount of Tier 1 Capital available to absorb losses may increase the amount of Subordinated Debt Instruments that will be subject to Loss Absorption by way of Exchange or Write-Off following a Non-Viability Event.

The Subordinated Debt Instrument Holders may not have prior notice of a Non-Viability Event. The MGL Ordinary Shares that will be issued may not be quoted at the time of issue or at all and may not be tradable.

The number of MGL Ordinary Shares that a Subordinated Debt Instrument Holder will receive on an Exchange following a Non-Viability Event is determined by the Conditions and is not determined by APRA or by the ranking of the Subordinated Debt Instruments in a winding-up if APRA were not to determine a non-viability event. Rather, the number of MGL Ordinary Shares that a Subordinated Debt Instrument Holder will receive on an Exchange following a Non-Viability Event is calculated on the basis of the VWAP for the 5 ASX Trading Days prior to the Non-Viability Date and subject to the Maximum Exchange Number applicable to a Non-Viability Date. The Maximum Exchange Number is set by reference to the MGL Ordinary Share price prevailing in the 20 ASX Trading Days immediately preceding the Issue Date of the Subordinated Debt Instruments. The Issue Date VWAP and hence the Maximum Exchange Number may only be adjusted for divisions, consolidations or reclassifications of MGL's share capital and bonus issues of MGL Ordinary Shares. There are no adjustments for other capital transactions undertaken by MGL (e.g. pro rata issues, share placements) which might reduce the MGL Ordinary Share price, or on account of other events affecting MGL (e.g. any requirement for regulatory capital securities issued by MGL to be subject to loss absorption). The

Conditions do not limit the ability of MGL to undertake such capital transactions or any similar action that may adversely affect the position of Subordinated Debt Instrument Holders.

If a Non-Viability Event occurs the market price of MGL Ordinary Shares may be volatile. Accordingly, a Subordinated Debt Instrument Holder may receive MGL Ordinary Shares per the Subordinated Debt Instruments worth significantly less than the value based on the VWAP and may suffer a loss as a result. This is because:

- the number of MGL Ordinary Shares may be limited by the Maximum Exchange Number applicable to a Non-Viability Date and as a consequence the value of MGL Ordinary Shares received may be reduced; and

- the market price of MGL Ordinary Shares received may differ from the 5 ASX Trading Day VWAP used to determine the Exchange Number of MGL Ordinary Shares.

The Maximum Exchange Number applicable to the Exchange of the Subordinated Debt Instruments may be different from the maximum exchange number applicable to any Relevant Securities. As a result, the number of MGL Ordinary Shares issued to a Subordinated Debt Instrument Holder may be higher or lower than the number of MGL Ordinary Shares issued to a holder of other Relevant Securities (including Relevant Tier 1 Securities) with the same principal amount.

Subordinated Debt Instrument Holders should also be aware that a Non-Viability Event may occur more than once. For example, as a result of a Non-Viability Event, a partial conversion of some Relevant Securities may occur and yet fail to restore Macquarie Bank to viability. In that case, if a further Non-Viability Event occurs, the Relevant Securities that remain on issue (which may include Subordinated Debt Instruments) may be subject to loss absorption in circumstances where there has been a further deterioration in the financial position of Macquarie Bank and holders of those Relevant Securities may have a worse outcome than holders of the Relevant Securities that were previously subject to loss absorption.

In addition, if a Subordinated Debt Instrument is denominated in a currency which is not Australian Dollars, the calculation for the number of MGL Ordinary Shares that a Subordinated Debt Instrument Holder may receive upon an Exchange of Subordinated Debt Instruments may rely upon a conversion of Australian Dollar amounts (being the currency in which the MGL Ordinary Shares are denominated and are quoted on the ASX) to the currency which the Subordinated Debt Instruments are issued in. The exchange rate between Australian Dollars and another currency may be subject to material changes, as well as the imposition or modification of exchange controls by the applicable governments, which may also affect exchange rates. Macquarie Bank has no control over the factors that generally affect these risks, including economic, financial and political events and the supply and demand for the applicable currencies. Depending upon the exchange rates prevailing around the time that a Non-Viability Event occurs, the number of MGL Ordinary Shares that an investor in the Subordinated Debt Instruments actually receives upon an Exchange relating to a particular Non-Viability Event may be significantly less than the number of MGL Ordinary Shares the investor may have been received had the Exchange taken place on a different date or that the investor otherwise expected to receive, and that prospective investors could lose a substantial portion of their investment in these circumstances.

To enable MGL to issue MGL Ordinary Shares to a Subordinated Debt Instrument Holder on Exchange, Subordinated Debt Instrument Holders need to have appropriate securities accounts in Australia for the receipt of MGL Ordinary Shares and to provide to the Issuer (for itself and MGL), no later than the Non-Viability Date, their name and address and certain security holder account and other details. Potential investors should understand that a failure to provide this information to the Issuer on time may result in MGL issuing the MGL Ordinary Shares to a Sale Agent (as described in section 3.1.10 below).

3.1.9 Impact of failure to Exchange and Write-Off

If the relevant Subordinated Debt Instruments are not in fact Exchanged within 5 Business Days of the Non-Viability Event then the MGL Ordinary Shares will not be issued and the relevant Subordinated Debt Instruments will be Written-Off. This is regardless of whether there is any reason for the Exchange not occurring, or whether such reason is within or outside the control of Macquarie Bank or MGL. The circumstances in which Exchange might not occur cannot be exhaustively described.

In such cases, the Subordinated Debt Instrument Holder will not receive any MGL Ordinary Shares in respect of these the Subordinated Debt Instruments, have no further claim on MGL, Macquarie Bank or any other member of the Macquarie Group and will suffer a loss of their investment.

3.1.10 MGL Ordinary Shares issued to a Sale Agent

If the Subordinated Debt Instruments are to be Exchanged and:

- the Subordinated Debt Instrument Holder has notified Macquarie Bank that it does not wish to receive MGL Ordinary Shares;
- the Subordinated Debt Instruments are held by a person whose registered address is outside of Australia or who Macquarie Bank or MGL believe is not an Australian resident and MGL believes the issue of MGL Ordinary Shares would not be permitted by law or would be permitted only after compliance with conditions which MGL considers, in its absolute discretion, are not acceptable or are unduly onerous;
- the Subordinated Debt Instruments are held by a person that is the operator of a clearing system or depository, or a nominee for a depository or a clearing system (other than the Austraclear System);
- Macquarie Bank or MGL does not have the necessary information for MGL to issue the MGL Ordinary Shares to the Subordinated Debt Instrument Holder;
- a FATCA Withholding is required to be made in respect of any MGL Ordinary Shares to be delivered as a result of Exchange; or
- MGL believes it is not permitted to issue some or all MGL Ordinary Shares to a particular Subordinated Debt Instrument Holder under any Australian or foreign law which limits or restricts the number of shares in MGL which a person may hold,

then Macquarie Bank will use reasonable endeavours to appoint one or more parties as a Sale Agent and, if one or more Sale Agents are appointed then, subject to applicable law and provided that Macquarie Bank and the Sale Agent (or if applicable, Sale Agents) are satisfied that the MGL Ordinary Shares in respect of such Subordinated Debt Instruments to be Exchanged may lawfully be issued and sold by the relevant Sale Agent without having to take steps which either or both regard as onerous, MGL will instead issue the relevant MGL Ordinary Shares to the relevant Sale Agent which will at the first reasonable opportunity sell the MGL Ordinary Shares (together with MGL Ordinary Shares of each other Subordinated Debt Instrument Holder similarly affected) and pay to the relevant Subordinated Debt Instrument Holder its proportionate share of the net proceeds actually received from the sale (after deducting applicable brokerage, stamp duty and other taxes, charges and expenses).

Macquarie Bank, MGL and any Sale Agent give no assurance as to whether a sale will be achieved or the price at which it may be achieved and each has no liability to Subordinated Debt Instrument Holders for any loss suffered as a result of the sale of MGL Ordinary Shares. The issue of the MGL Ordinary Shares to the relevant Sale Agent will satisfy all obligations of Macquarie Bank in respect to the Subordinated Debt Instruments.

In these circumstances the sale of MGL Ordinary Shares is beyond the control of the Subordinated Debt Instrument Holder and may disadvantage the individual Subordinated Debt Instrument Holder and not coincide with their individual preferences or intended investment outcomes. The amount received in respect of this sale may be less than the investment of the Subordinated Debt Instrument Holder.

If either or both of MGL and the relevant Sale Agent is of the opinion that MGL Ordinary Shares cannot be issued to the relevant Sale Agent (or issue would require onerous steps to be taken) within 5 Business Days of a Non-Viability Date, then the relevant Subordinated Debt Instrument will be Written-Off.

In addition, there is a risk that Macquarie Bank may not be able to appoint a Sale Agent to receive MGL Ordinary Shares within five Business Days of a Non-Viability Date. Where a Non-Viability Event occurs, if for any reason, Exchange of any the Subordinated Debt Instruments has not occurred within five Business Days following such an event, those Subordinated Debt Instruments will be Written-Off. This would include the case where Macquarie Bank has failed to appoint a Sale Agent where required.

3.1.11 Restrictions on rights and ranking in a Winding-Up

The Subordinated Debt Instruments are issued by Macquarie Bank under the terms of the Deed of Covenant and Australian Note Deed Poll (as applicable) (including the Conditions). A Subordinated Debt Instrument Holder has no claim on Macquarie Bank in respect of the Subordinated Debt Instruments except as provided in the Conditions and in the other documentation relating to the Subordinated Debt Instruments.

The Subordinated Debt Instruments are unsecured and subordinated obligations of Macquarie Bank. Prior to the commencement of a Winding-Up of Macquarie Bank, Macquarie Bank's obligations to make payments in respect of the Subordinated Debt Instruments are conditional upon the Solvency Condition. Any failure to make payments in respect of the Subordinated Debt Instruments on account of the Solvency Condition not being satisfied will not be considered an Event of Default for the purposes of the Subordinated Debt Instruments.

In the event of a Winding-Up of Macquarie Bank and assuming that the Subordinated Debt Instruments have not been Exchanged or redeemed and are not required to be Written-Off due to a Non-Viability Event, the Subordinated Debt Instrument Holders will be entitled to claim for the Redemption Amount of each Subordinated Debt Instrument equal to the Issue Price for each Subordinated Debt Instrument.

The claim for the Redemption Amount ranks equally with Equal Ranking Obligations but is subordinated to Senior Creditors. If, on a Winding-Up of Macquarie Bank:

- there is a shortfall of funds to pay all amounts ranking senior to the Subordinated Debt Instruments the Subordinated Debt Instrument Holders will not receive any of the Redemption Amount; and

- all amounts ranking senior to the Subordinated Debt Instruments have been paid but there is a shortfall of funds to pay all amounts ranking equally with the Subordinated Debt Instruments, the Subordinated Debt Instrument Holders may not receive all (or any) of the Redemption Amount.

If the Subordinated Debt Instruments have been Exchanged (including following the occurrence of a Non-Viability Event), the Subordinated Debt Instrument Holders will hold MGL Ordinary Shares and rank equally with other holders of MGL Ordinary Shares in a Winding-Up.

Where a Non-Viability Event occurs, if for any reason (for example due to applicable laws, order of a court or action of any government authority) Exchange of any of the Subordinated Debt Instruments has not occurred within 5 Business Days following such an event, then those Subordinated Debt Instruments are Written-Off (that is, the Subordinated Debt Instrument Holder's rights in relation to those Subordinated Debt Instruments are immediately and irrevocably terminated for no consideration with effect on and from the Non-Viability Date). The Subordinated Debt Instrument Holder's investment will lose all of its value and the Subordinated Debt Instrument Holder will not receive any MGL Ordinary Shares or other compensation.

Where the Subordinated Debt Instruments are Written-Off, as MGL Ordinary Shares will still be on issue, a Subordinated Debt Instrument Holder is likely to be worse off than a holder of MGL Ordinary Shares.

The Subordinated Debt Instruments may pay a higher rate of distribution than comparable securities and instruments which are not subordinated. However, there is a greater risk that a Subordinated Debt Instrument Holder would lose some or all of their investment in the Subordinated Debt Instruments should Macquarie Bank become insolvent or in a Winding-Up of Macquarie Bank.

3.1.12 An investor holding Subordinated Debt Instruments has limited remedies available for non-payment of amounts owing and for other breaches of Macquarie Bank's obligations, including limited rights to accelerate principal under the Subordinated Debt Instruments

Rights of a Subordinated Debt Instrument Holder against Macquarie Bank in the event of non-payment or breach of obligation under the Subordinated Debt Instruments are limited in accordance with APRA's requirements for an instrument to be eligible for inclusion as Tier 2 Capital.

The Conditions contain no events of default other than on account of non-payment (subject to applicable grace periods and the Solvency Condition) (a "**Payment Default**") and where Macquarie Bank is wound up in circumstances amounting to a Winding-Up Default. The remedies available to a Subordinated Debt Instrument Holder on account of a Payment Default are limited to taking action to recover an amount due (subject to the Solvency Condition), specific performance of any other obligation, or seeking an order for winding up of Macquarie Bank. The Subordinated Debt Instrument Holder has no right to accelerate repayment of the Subordinated Debt Instrument except where a Winding-Up Default has occurred.

The remedies of a Subordinated Debt Instrument Holder in respect of any failure of MGL to issue the MGL Ordinary Shares are limited in accordance with the Conditions, which provide that Subordinated Debt Instrument Holders have no rights against MGL in respect of the Subordinated Debt Instruments other than (and subject always to where Write-Off applies) to seek specific performance of the obligation to issue the MGL Ordinary Shares.

Subordinated Debt Instrument Holders should be aware that the remedy of specific performance or for winding up of the Issuer is in the discretion of the court and may not be granted.

Subordinated Debt Instrument Holders will not be entitled to exercise any right of set-off or counterclaim against amounts owing by Macquarie Bank in respect of such Subordinated Debt Instruments.

3.1.13 Other securities issued by Macquarie Bank or MGL

The Subordinated Debt Instruments do not in any way restrict Macquarie Bank from issuing further Macquarie Bank ordinary shares, other securities (including securities that rank equally with or ahead of the Subordinated Debt Instruments) or from incurring further debt. Macquarie Bank's obligations under the Subordinated Debt Instruments are subordinate to Senior Creditors and obligations preferred by law. Accordingly, the obligations of the Subordinated Debt Instruments:

- will not be satisfied unless Macquarie Bank can satisfy in full all of its other obligations ranking senior to the Subordinated Debt Instruments; and

- may not be satisfied in full unless Macquarie Bank can also satisfy in full all of its other obligations ranking equally with the Subordinated Debt Instruments.

Future issues of securities or debts by Macquarie Bank may dilute the claim of Subordinated Debt Instrument Holders or reduce the value of their investment or liquidity of the Subordinated Debt Instruments. The future issue of such securities may be on terms such that they would be exchanged, converted or written-off other than on a proportionate basis with the Subordinated Debt Instruments and affect the proportions of Subordinated Debt Instruments Exchanged or Written-Off due to a Non-Viability Event.

An investment in the Subordinated Debt Instruments carries no right to participate in any future issue of securities by Macquarie Bank, MGL or any other member of the Macquarie Group.

No prediction can be made as to the effect, if any, which future issues of securities by Macquarie Bank or MGL may have on the market price or liquidity of the Subordinated Debt Instruments or the likelihood of payments being made on the Subordinated Debt Instruments.

An investment in the Subordinated Debt Instruments carries no right to be redeemed or otherwise be repaid at the same time as Macquarie Bank or MGL redeems, resells or otherwise repays other securities. Nothing in the Conditions restricts Macquarie Bank or MGL from redeeming, reselling or otherwise repaying securities (whether ranking equally with, junior or senior to the Subordinated Debt Instruments).

3.1.14 Credit rating risk relating to securities

Macquarie Bank's cost of funds, margins, access to capital markets and competitive position and other aspects of its performance may be affected by its credit ratings, including any long-term credit ratings or the ratings assigned to any class of its securities.

One or more independent credit rating agencies may assign ratings to an issue of Subordinated Debt Instruments. The ratings may not reflect the potential impact of all risks related to structure, market, liquidity, and other factors that may affect the value of the Subordinated Debt Instruments. In December 2025, APRA finalised its plans to phase out AT1 securities for Australian banks. The Issuer expects that under Moody's current Advanced Loss Given Failure methodology, the removal of this layer of subordinated debt will result in Moody's downgrading Macquarie Bank's long-term subordinated debt rating from A3 to Baa1. However, it is uncertain when this downgrade will occur.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, cancellation, reduction or withdrawal at any time by an assigning rating agency. Such changes from any rating agency, even where not directly rating the Subordinated Debt Instruments, could adversely affect the market price, liquidity and performance of the Subordinated Debt Instruments or MGL Ordinary Shares received on Exchange.

Although the Subordinated Debt Instruments may be rated upon issuance there is no obligation on the Issuer or any other member of the Macquarie Bank Group to maintain that rating.

Credit ratings agencies review and amend their rating methodology and review ratings assigned to instruments (such as the Subordinated Debt Instruments) and may change either as a result of a number of factors, including changes to the ratings methodology of one or more of the other independent rating agencies. Any changes to rating methodology could affect the market price and liquidity of the Subordinated Debt Instruments.

3.1.15 Regulatory treatment and redemption rights

The Subordinated Debt Instruments qualify as Tier 2 Capital of Macquarie Bank for regulatory capital purposes.

Macquarie Bank may not redeem or repurchase any Subordinated Debt Instruments before their Maturity Date for any reason other than:

- following the occurrence of a Tax Event or Regulatory Event; or
- on an Optional Redemption Date (such date, if any, being a date no earlier than the fifth anniversary of the Issue Date of a Subordinated Debt Instrument, as specified in the relevant Pricing Supplement),

in each case, with APRA's prior written approval.

Prospective purchasers of Subordinated Debt Instruments should not expect that APRA's approval will be given for any redemption or repurchase of any Subordinated Debt Instruments. In addition, APRA has stated that, consistent with its prudential requirements, ADIs generally should not call a regulatory capital instrument (such as the Subordinated Debt Instruments) and replace it with an instrument with a higher credit spread or that is otherwise more expensive except where the issuer satisfies APRA as to the economic and prudential rationale for the redemption and that the redemption will not create an expectation that other regulatory capital instruments will be redeemed in similar circumstances.

Further, Macquarie Bank may not redeem or repurchase the Subordinated Debt Instruments before their Maturity Date unless either: (a) the Subordinated Debt Instruments to be redeemed or repurchased are replaced (concurrently with the redemption or repurchase or beforehand) with a capital instrument of the same or better quality, and the replacement or repurchase of those Subordinated Debt Instruments is done under conditions which are sustainable for the income capacity of the "Issuer Level 1 Group" and the "Issuer Level 2 Group", or (b) Macquarie Bank obtains confirmation from APRA that APRA is satisfied that the capital positions of the "Issuer Level 1 Group" and the "Issuer Level 2 Group" are sufficient after the Subordinated Debt Instruments are redeemed or repurchased.

Broadly, a Regulatory Event occurs where a law or regulation in Australia is introduced, amended or changed after the Issue Date of the Subordinated Debt Instruments and Macquarie Bank determines that, as a result of such change:

- any of the Subordinated Debt Instruments are not eligible for inclusion as Tier 2 Capital of the Issuer Level 1 Group or the Issuer Level 2 Group;

- additional requirements in connection with the Subordinated Debt Instruments would be imposed on the Issuer, MGL or any other member of Macquarie Group, which the Issuer determines, in its absolute discretion, might have a material adverse effect on the Issuer, MGL or any other member of the Macquarie Group, or otherwise be unacceptable; or

- to have any of the Subordinated Debt Instruments outstanding would be unlawful or impractical or that the Issuer, MGL or any other member of the Macquarie Group would be exposed to a more than de minimis increase in its costs in connection with the Subordinated Debt Instruments,

provided, in each case, that such event was not expected by the Issuer as at the Issue Date.

If a Regulatory Event occurs, Macquarie Bank may be entitled to, with the written approval of APRA, redeem the Subordinated Debt Instruments.

Broadly, a Tax Event may occur if the Issuer receives advice from competent tax counsel that, as a result of the introduction of, or amendment or clarification to, or change in, or change in the interpretation of (or an announcement that there will be an introduction of, amendment or clarification to or change in) a law or regulation by any legislative body, court, government agency or regulatory authority in Australia after the Issue Date, there is a more than insubstantial risk that:

- the Issuer would be required to pay any Additional Amounts;

- interest payments on the Subordinated Debt Instruments are not or may not be allowed as a deduction for the purposes of Australian income tax; or

- the Issuer or another member of the Macquarie Group is or will become exposed to more than a de minimis increase in its costs in relation to the Subordinated Debt Instruments through the imposition of any taxes, duties or other governmental charges,

provided, in each case, that on the Issue Date, the Issuer (or where applicable, MGL) did not expect that the matters giving rise to the Tax Event would occur.

If a Tax Event occurs, Macquarie Bank may be entitled to, with the prior written approval of APRA, redeem all or some of the Subordinated Debt Instruments.

As a consequence, redemption may occur at any time and at a time not previously contemplated by Subordinated Debt Instrument Holders, which may disadvantage some or all Subordinated Debt Instrument Holders and not coincide with their individual preferences or intended investment outcomes. The rate of return at which Subordinated Debt Instrument Holders may reinvest their funds or receive in connection with any MGL Ordinary Shares, may be lower than the interest rate applicable to the Subordinated Debt Instruments.

3.1.16 Tax consequences

A general outline of the Australian tax consequences of investing in the Subordinated Debt Instruments for certain potential investors is set out in the taxation summary in Section 8 of this Offering Circular. This summary is in general terms and not intended to provide specific advice addressing the circumstances of any particular potential investor. Accordingly, potential investors should seek independent advice concerning their own individual tax position.

3.1.17 No remedy on account of acquisition of the Issuer or MGL

If a person or persons acquire control of the Issuer or MGL, the Conditions do not provide any right or remedy for the Subordinated Debt Instrument Holders on account of that acquisition occurring. There is no remedy for a change in control of the Issuer or MGL. Also, an acquisition of MGL may result in MGL Ordinary Shares no longer being quoted on the ASX.

If a Non-Viability Event occurs after an acquisition or change of control of the Issuer or MGL, the number of MGL Ordinary Shares issued on Exchange (if any) will reflect the VWAP for the period of five ASX Trading Days on which the MGL Ordinary Shares were last traded on the ASX. This may be well before the Non-Viability Event and accordingly the value of the Exchange Number of MGL Ordinary Shares when issued may be very different from the value based on that VWAP. The circumstances of the acquisition or change of control of the Issuer or MGL may also mean that Exchange is unable to occur. This may adversely affect the position of Subordinated Debt Instrument Holders.

3.1.18 Powers of APRA and Banking Act statutory managers

Under the Banking Act, APRA has power to issue directions to Macquarie Bank and MGL. These powers of APRA are broad and may be exercised to intervene in the performance of obligations and the exercise of rights under the Subordinated Debt Instruments, including power to appoint a Banking Act statutory manager, who may cancel shares or any rights to acquire shares in Macquarie Bank or MGL.

The Banking Act gives APRA extensive powers to facilitate the resolution of the entities that it regulates (and their subsidiaries) in times of distress. Powers given to APRA include oversight, management and directions powers in relation to MGL, Macquarie Bank and other Macquarie Group members, and powers with respect to statutory management. The Banking Act also gives statutory recognition to provisions for the conversion or write-off of an instrument such as the Subordinated Debt Instruments.

In addition, APRA has powers to require the compulsory transfer of all or part of the business of Macquarie Bank (including shares of Macquarie Bank) or MGL pursuant to the *Financial Sector (Transfer and Restructure) Act 1999* (Cth) ("**FSTR Act**"). A transfer under the FSTR Act overrides anything in any contract or agreement to which Macquarie Bank or MGL is a party, including the Conditions. These powers of APRA may be exercised in a way which adversely affects the ability of Macquarie Bank or MGL to comply with its obligations in respect of the Subordinated Debt Instruments (including in connection with the Exchange of the Subordinated Debt Instruments), and this may adversely affect the position of Subordinated Debt Instrument Holders.

The Banking Act provides that any other party to a contract to which Macquarie Bank is a party (which would include a holder of the Subordinated Debt Instruments) may not, among other things, accelerate any debt under that contract on the grounds that Macquarie Bank is subject to a direction by APRA under the Banking Act or a "Banking Act statutory manager" is in control of its business or the business of another member of the Macquarie Group. APRA's powers under the Banking Act and FSTR Act are discretionary and may be more likely to be exercised by it in circumstances where Macquarie Bank or MGL is in material breach of applicable banking laws and/or regulations or is in financial distress, including where Macquarie Bank or MGL has contravened the Banking Act (or any related regulations or other instruments made, or conditions imposed, under that Act) or where Macquarie Bank has informed APRA that it is likely to become unable to meet its obligations, or that it is about to suspend payment. In these circumstances, APRA is required to have regard to protecting the interests of Macquarie Bank's depositors and to the stability of the Australian financial system, but not necessarily to the interests of other creditors of Macquarie Bank (including holders of Subordinated Debt Instruments) and MGL. The Banking Act does not impose on APRA a requirement to ensure that, in the exercise of its powers, holders of regulatory capital securities (such as the Subordinated Debt Instruments) are no worse off than they would be in an insolvency.

3.1.19 Accounting standards

New Australian Accounting Standards, or amendments to existing Australian Accounting Standards issued by the Accounting Standards Board may affect the reported earnings and financial position of Macquarie Bank in future financial periods.

3.1.20 Shareholding limits

Various laws, including Chapter 6 of the Corporations Act, the *Foreign Acquisition and Takeovers Act 1975* (Cth), the *Financial Sector (Shareholdings) Act 1998* (Cth) ("**FSSA**") and the *Competition and Consumer Act 2010* (Cth) ("**CCA**") may restrict the number of MGL Ordinary Shares that any person may hold. Mergers, acquisitions and divestments of Australian public companies listed on ASX (such as MGL) are regulated by detailed and comprehensive legislation and the rules and regulations of ASX.

The FSSA restricts ownership of MGL by people (together with their associates) to a 20% stake. A shareholder may apply to the Australian Federal Treasurer to extend their ownership beyond 20%, but approval will not be granted unless the Treasurer is satisfied that the holding is in the national interest.

The CCA restricts acquisitions which would have the effect, or be likely to have the effect, of substantially lessening competition in a market in Australia. In addition, on 1 January 2026, a new regime commenced to require mandatory notification to the Australian Competition and Consumer Commission ("ACCC") for certain acquisitions of assets, including securities issued by an Australian corporation

Under the regime, an acquisition is required to be notified to the ACCC (a "**Notifiable Acquisition**") where (i) the assets to be acquired are connected with Australia, (ii) in respect of shares, the acquirer is acquiring a controlling interest in an entity or the acquisition meets various voting power thresholds, (iii) one of the monetary notification thresholds (as prescribed in the Competition and Consumer (Notification of Acquisitions) Determination 2025 (Cth) (the "**Original Determination**") as amended by the Competition and Consumer (Notification of Acquisitions) Amendment (2025 Measures No. 1) Determination 2025 (Cth) (the "**Amendment Determination**", and the Original Determination as amended by the Amendment Determination, the "**Determination**")) is satisfied, and (iv) no exception to the notification requirement applies.

It is unlawful to fail to notify a Notifiable Acquisition to the ACCC and to put into effect a Notifiable Acquisition unless (i) the acquiring party submits a filing to the ACCC and the ACCC determines that it may be put into effect, or (ii) the acquiring party submits a waiver application and the ACCC grants a waiver in respect of the proposed acquisition. Any Notifiable Acquisition that is, or is attempted to be, put into effect without a determination or waiver by the ACCC is void by operation of law.

The Determination includes exceptions for debt instruments but does not define that term. The explanatory statement to the Amendment Determination includes guidance to the effect that the expression "debt instrument" includes notes, debentures and regulatory capital instruments that are in the form of a debt instrument. The exception for a debt instrument would not apply to ordinary shares issued on conversion of such a debt instrument.

The mandatory notification regime and the related Determination have not yet been authoritatively considered or interpreted by Australian courts, and there remains uncertainty as to how the mandatory notification regime will be interpreted and applied to the Subordinated Debt Instruments. Investors should consult with their own advisers and make their own assessment about the potential application of the mandatory notification regime to an investment in the Subordinated Debt Instruments.

Subordinated Debt Instrument Holders should take care to ensure that their holding of the Subordinated Debt Instruments (and any MGL Ordinary Shares that they could be Exchanged for) do not breach any applicable restrictions on ownership.

Where, on an Exchange, the issue of any MGL Ordinary Shares to any particular Subordinated Debt Instrument Holder (either directly or indirectly) is prevented by law, Macquarie Bank may be unable to Exchange those Subordinated Debt Instruments and they will be Written-Off.

3.1.21 FATCA Withholding and information reporting

Sections 1471 through 1474 of the *U.S. Internal Revenue Code of 1986* ("**FATCA**") impose a reporting regime and potentially a 30% withholding tax with respect to certain payments. The Australian Government and the U.S. Government signed an intergovernmental agreement ("**IGA**") in respect of FATCA on 28 April 2014, providing an alternative means for Australian financial institutions to comply with FATCA. Under Subdivision 396-A of Schedule 1 to the *Taxation Administration Act 1953* (Cth) of Australia, which gives effect to the IGA, Australian financial institutions that may be involved in the Subordinated Debt Instruments payment processes, such as custodians or nominees may be required to provide the Australian Taxation Office ("**ATO**") with information about investors. As such, financial institutions involved in the payment process (including Macquarie Bank) may request certain information from the Subordinated Debt Instrument Holders or beneficial owners of the Subordinated Debt Instruments which may be provided to the ATO. Macquarie Bank does not anticipate it or any other financial institution involved in the payment process being obliged to deduct any withholding for or on account of FATCA, but there can be no assurance that such financial institutions will not be required to deduct or withhold amounts on payments they make to the Subordinated Debt Instrument Holders as a result of FATCA in the future.

If an amount was to be deducted or withheld in respect of FATCA from payments on the Subordinated Debt Instruments or deliveries of MGL Ordinary Shares made in respect of the Subordinated Debt Instruments, neither Macquarie Bank nor any other financial institution involved in the payment process, paying agent nor any other person would, pursuant to the conditions of the Subordinated Debt Instruments, be required to pay Additional Amounts as a result of the deduction or withholding. As a result, Subordinated Debt Instrument Holders may receive less distributions, principal or MGL Ordinary Shares than expected.

FATCA is particularly complex. Investors should consult their own tax advisers to determine how these rules may apply to payments they will receive under the Subordinated Debt Instruments, particularly if they are a U.S. person or have financial dealings with a U.S. person.

3.1.22 Common Reporting Standard

The *OECD Common Reporting Standard for Automatic Exchange of Financial Account Information in Tax Matters* ("**CRS**") requires certain financial institutions including Macquarie Bank to report information regarding certain accounts (which may include the Subordinated Debt Instruments) to their local tax authority and follow related due diligence procedures. The Subordinated Debt Instrument Holders may be requested to

provide certain information and certifications to financial institutions involved in the payment process (including Macquarie Bank) to ensure compliance with the CRS. A jurisdiction that has signed the Multilateral Competent Authority Agreement may provide this information to other jurisdictions that have also signed the Multilateral Competent Authority Agreement. Subdivision 396-C of Schedule 1 to the *Taxation Administration Act 1953* (Cth) , among other things, gives effect to the CRS.

3.1.23 Modifications and waivers

In certain circumstances, Macquarie Bank may, with APRA's prior written approval where required, amend the Conditions or the Deed of Covenant, any MGL Deed of Undertaking and the Australian Note Deed Poll (as applicable) without the approval of Subordinated Debt Instrument Holders. These circumstances include where Macquarie Bank is of the opinion that the amendments do not materially adversely affect the interests of the Subordinated Debt Instrument Holders as a whole.

Macquarie Bank may also, with APRA's prior written approval where required, amend the Conditions, Euro Agency Agreement or Australian Note Deed Poll if the amendment has been approved by an Extraordinary Resolution of Subordinated Debt Instrument Holders of the relevant Series. The Conditions contain provisions for calling meetings of Subordinated Debt Instrument Holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Subordinated Debt Instrument Holders including Subordinated Debt Instrument Holders who did not attend and vote at the relevant meeting, Subordinated Debt Instrument Holders who voted in a manner contrary to the majority, and Holders who may be disadvantaged by the amendment.

In circumstances where the Reference Rate ceases to be available, Macquarie Bank may amend the Conditions and/or in the case of Subordinated Debt Instruments other than Australian Domestic Notes, the Euro Agency Agreement to replace the Reference Rate in accordance with Condition 5.3(c), and make certain other related amendments to the Conditions (subject, in each case, to APRA's prior written approval). Such amendments could adversely affect the interests of Subordinated Debt Instrument Holders.

APRA's prior written approval of an amendment is required where the amendment may affect the eligibility of Subordinated Debt Instruments as Tier 2 Capital.

3.1.24 Australian insolvency laws

In the event that Macquarie Bank is, is likely to become, or becomes insolvent, insolvency proceedings are likely to be governed by Australian law or the law of another jurisdiction determined in accordance with Australian law. Australian insolvency laws are, and the laws of that other jurisdiction can be expected to be, different from the insolvency laws of other jurisdictions. In particular, the voluntary administration procedure under the Corporations Act, which provides for the potential re-organisation of an insolvent company, differs significantly from similar provisions under the insolvency laws of other jurisdictions. If Macquarie Bank becomes insolvent, the treatment and ranking of Subordinated Debt Instrument Holders and Macquarie Bank's shareholders under Australian law, and the laws of any other jurisdiction determined in accordance with Australian law, may be different from the treatment and ranking of Subordinated Debt Instrument Holders and Macquarie Bank's shareholders if Macquarie Bank were subject to the bankruptcy laws or the insolvency laws of other jurisdictions.

In connection with such insolvency proceedings generally, all debts payable by, and all claims against, the insolvent debtor, being debts or claims the circumstances giving rise to which occurred before the day on which the winding-up is taken to have commenced, will be admissible to proof in those proceedings. In these circumstances, a creditor will be entitled to lodge proof of any such debt owed to them (and thereby "prove" in respect of their debt) in those proceedings. For the purposes of proof, a claim in a currency that is not in Australian Dollars is converted into Australian Dollars at a rate prevailing at the date of commencement of the winding-up, such rate being determined either by a method agreed in the terms of the relevant debt or, if there is no such agreement, by a rate as specified in the Corporations Act. Subordinated Debt Instrument

Holders shall only be entitled to prove for any sums payable in respect of the Subordinated Debt Instruments as a debt which is subject to, and contingent upon, prior payment in full of the Senior Creditors.

In September 2017, reforms to Australian insolvency laws were passed. Among other things, the legislation provides for a stay on enforcement of certain rights arising under a contract (such as a right entitling a creditor to terminate the contract or to accelerate payments or providing for automatic acceleration) for a certain period of time (and potentially, indefinitely), if the reason for enforcement is the occurrence of certain events relating to specified insolvency proceedings (such as the appointment of an administrator, managing controller or an application for a scheme of arrangement) or the company's financial position during those insolvency proceedings (known as "ipso facto rights").

The stay will apply to ipso facto rights arising under contracts, agreements or arrangements entered into after 1 July 2018, subject to certain exclusions. Such exclusions include rights exercised under a kind of contract, agreement or arrangement prescribed by the regulations. On 21 June 2018, the Australian federal government introduced regulations setting out the types of contracts and contractual rights which will be excluded from the stay (the "**Regulations**").

The Regulations provide, among other things, that any ipso facto rights under a contract, agreement or arrangement that is or governs securities, financial products, bonds or promissory notes will be exempt from the stay. Furthermore, a contract, agreement or arrangement under which a party is or may be liable to subscribe for, or to procure subscribers for, securities, financial products, bonds or promissory notes is also excluded from the stay. Accordingly, the Regulations should exclude the Subordinated Debt Instruments and certain other related arrangements from the stay. However, since their commencement in 2018, the legislation and the Regulations have rarely been the subject of judicial interpretation.

3.2 Risks related to the market for Subordinated Debt Instruments generally

3.2.1 The secondary market generally

In addition, Subordinated Debt Instrument Holders should be aware of the risk that global credit market conditions may result in a general lack of liquidity in the secondary market for instruments similar to the Subordinated Debt Instruments. Such lack of liquidity may result in investors suffering losses on the Subordinated Debt Instruments in secondary resales even if there is no decline in the performance of the assets of Macquarie Bank.

3.2.2 Listing

The Subordinated Debt Instruments may be admitted to quotation on the ASX. No assurance can be given that if and once admitted to quotation, the Subordinated Debt Instruments will at all times remain admitted to quotation and it may not be possible to list the Subordinated Debt Instruments on any other stock exchange.

3.2.3 Exchange rate risks and exchange controls

Macquarie Bank will pay principal and interest on the Subordinated Debt Instruments in the relevant specified currency ("**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 Subordinated Debt Instruments, (2) the Investor's Currency equivalent value of the principal payable on the Subordinated Debt Instruments, and (3) the Investor's Currency equivalent market value of the Subordinated Debt Instruments.

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

In addition, events may occur that, from a legal or practical perspective, make it impossible or not reasonably practicable to convert one currency into another currency, as may be required in order to make a determination or payment in respect of the Subordinated Debt Instruments. The occurrence of such an inconvertibility event may result in payment under the Subordinated Debt Instruments being delayed and/or an investor receiving payment in a currency other than the Specified Currency.

3.2.4 Interest rate risks

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

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

Subordinated Debt Instrument Holders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in bond prices.

3.2.5 Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Subordinated Debt Instruments. The 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 Subordinated Debt Instruments. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, cancellation, reduction or withdrawal at any time by the assigning rating agency. In December 2025, APRA finalised its plans to phase out AT1 securities for Australian banks. The Issuer expects that under Moody's current Advanced Loss Given Failure methodology, the removal of this layer of subordinated debt will result in Moody's downgrading Macquarie Bank's long-term subordinated debt rating from A3 to Baa1. However, it is uncertain when this downgrade will occur.

Although the Subordinated Debt Instruments may be rated upon issuance there is no obligation on Macquarie Bank or any other member of the Macquarie Bank Group to maintain that rating.

Credit ratings agencies review and amend their rating methodology and review ratings assigned to instruments (such as the Subordinated Debt Instruments) and may change either as a result of a number of factors, including changes to the ratings methodology of one or more of the other independent rating agencies. Any changes to rating methodology could affect the market price and liquidity of the Subordinated Debt Instruments.

In general, European regulated investors are restricted under the *Regulation (EU) 1060/2009* (the "**CRA Regulation**"; "**UK CRA Regulation**" as enacted in the UK) from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency (and certain other conditions are satisfied) or the relevant third country credit rating agency is certified in accordance with the CRA Regulation (and certain other conditions are satisfied) 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. If the status of the rating agency rating the Subordinated Debt Instruments changes, European

regulated investors may no longer be able to use the relevant rating for regulatory purposes and the Subordinated Debt Instruments may be subject to a different regulatory treatment. This may result in European regulated investors selling the Subordinated Debt Instruments, which may have an impact on the value of the Subordinated Debt Instruments in any secondary market. The list of registered and certified rating agencies published by the ESMA on its website in accordance with the 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. Certain information with respect to the Issuer's ratings and the credit rating agencies which have assigned such ratings is set out under the heading "Important Notices" at the beginning of this Offering Circular. Where an issue of Subordinated Debt Instruments is rated, such rating will be specified in the relevant Pricing Supplement and may not necessarily be the same as the rating assigned to Macquarie Bank.

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

3.2.6 The regulation and reform of "benchmarks" may adversely affect the value of Subordinated Debt Instruments linked to or referencing such "benchmarks"

Interest rates and indices which are deemed to be benchmarks (including, amongst others, the Hong Kong Interbank Offered Rate ("**HIBOR**"), the Sterling Overnight Index Average ("**SONIA**"), the Secured Overnight Financing Rate ("**SOFR**"), the Euro interbank offered rate ("**EURIBOR**"), the Australian Bank Bill Swap Rate ("**BBSW**"), the AUD Overnight Index Average Rate ("**AONIA**") and the New Zealand Bank Bill Benchmark Rate ("**BKBM**")) are the subject of national, international and regulatory guidance and reform aimed at supporting the transition to robust benchmarks. Most reforms have now reached their planned conclusion (including the transition away from inter-bank offered rates) and "benchmarks" remain subject to ongoing monitoring. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Subordinated Debt Instruments linked to or referencing such a "benchmark".

In Australia, examples of reforms that are already effective include changes to the methodology for calculation of the BBSW, and amendments to the Corporations Act made by the *Treasury Laws Amendment (2017 Measures No. 5) Act 2018* (Cth) of Australia which, among other things, enables ASIC to make rules relating to the generation and administration of financial benchmarks. On 6 June 2018, ASIC designated BBSW as a "significant financial benchmark" and made the *ASIC Financial Benchmark (Administration) Rules 2018* and the *ASIC Financial Benchmarks (Compelled) Rules 2018*. On 27 June 2019, ASIC granted ASX Benchmarks Pty Limited a licence to administer BBSW from 1 July 2019.

Further, the RBA has amended its criteria for repo eligibility to include a requirement that floating rate bonds and marketed asset-backed securities issued on or after 1 December 2022 that reference BBSW must contain at least one "robust" and "reasonable and fair" fallback rate for BBSW in the event that it permanently ceases to exist, if such securities are to be accepted by the RBA as being eligible collateral for the purposes of any repurchase agreements to be entered into with the RBA. In November 2022, the Australian Financial Markets

Association published proposed drafting for the BBSW Rate fallback provisions which was revised in June 2024 (the "**AFMA Proposal**"). The fallback provisions relating to the BBSW Rate included in Condition 5.3(b)(iv) are based on the AFMA Proposal (the "**BBSW Rate Fallback Provisions**").

Where the original benchmark for any floating rate Subordinated Debt Instruments is the BBSW Rate, the BBSW Rate Fallback Provisions distinguish between temporary and permanent triggers affecting the BBSW Rate.

If a Temporary Disruption Trigger occurs in respect of the BBSW Rate, the interest rate for any day on which that Temporary Disruption Trigger is continuing will be the interest rate determined in accordance with the Temporary Disruption Fallback which provides that, in the first instance, preference will be given to the Administrator Recommended Rate (which is a rate formally recommended for use as the replacement for the BBSW Rate by the Administrator). The second preference will be given to the Supervisor Recommended Rate (which is a rate formally recommended for use as the replacement for the BBSW Rate by the Supervisor). Finally, preference will be given to the Final Fallback Rate.

In the event that a Permanent Discontinuation Trigger occurs in respect of the BBSW Rate, the rate for any Interest Determination Date which occurs on or following the applicable Permanent Fallback Effective Date will be the Fallback Rate which is determined in accordance with the Permanent Discontinuation Fallback and which may be AONIA.

Investors should be aware that whilst the BBSW Rate is based on a forward-looking basis and on observed bid and offer rates for Australian prime bank eligible securities (which rates may incorporate a premium for credit risk), AONIA is an overnight, risk free cash rate and will be applied to calculate interest by compounding observed rates in arrears and the application of a spread adjustment. There can be no assurance that AONIA as described above will produce the economic equivalent of the BBSW Rate.

Although the Subordinated Debt Instruments include the BBSW Rate Fallback Provisions, they are not expected to meet the RBA criteria for eligible collateral for the purposes of any repurchase agreements as the Subordinated Debt Instruments are subordinated instruments.

In Europe, the *Regulation (EU) 2016/1011* (the "**EU Benchmarks Regulation**") applies, subject to certain transitional provisions, to the provision of in-scope "benchmarks", the contribution of input data to an in-scope "benchmark" and the use of a "benchmark" within the EU. It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of in-scope benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

In the UK, the *Regulation (EU) 2016/1011* as it forms part of domestic law in the UK by virtue of the EUWA (the "**UK Benchmarks Regulations**") among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK-supervised entities of benchmark administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

In New Zealand, the *Financial Markets (Derivatives Margin and Benchmarking) Reform Amendment Act 2019* (the "**FMRA Act**") was enacted in August 2019. When the provisions of the FMRA Act relating to financial benchmarks come into effect, they will amend the *Financial Markets Conduct Act 2013* to establish a new licensing regime for administrators of financial benchmarks.

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Subordinated Debt Instruments linked to or referencing a "benchmark" which is in-scope of one or both regulations, in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the requirements imposed thereunder, as applicable. It is also not possible to predict

whether such reforms will lead to any such benchmarks (including BBSW) not being supported going forward. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant "benchmark".

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of "benchmarks", could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements.

Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Subordinated Debt Instruments linked to, referencing, or otherwise dependent (in whole or in part) upon, a "benchmark".

Investors should be aware that in the case of certain Subordinated Floating Rate Debt Instruments, the Conditions of the Subordinated Debt Instruments provide for certain fallback arrangements in the event that a published benchmark, including an inter-bank offered rate (such as EURIBOR) or another relevant reference rate (such as BBSW) ceases to exist or be published. In certain circumstances the ultimate fallback for the purposes of calculation of interest for a particular Interest Period may result in the Interest Rate for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Subordinated Floating Rate Debt Instruments based on the rate which was last observed on the Relevant Screen Page or the initial Interest Rate applicable to such Subordinated Debt Instruments on the Interest Commencement Date.

Any such consequences could have a material adverse effect on the value or liquidity of and return on any such Subordinated Debt Instruments. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Subordinated Floating Rate Debt Instruments or could have a material adverse effect on the value or liquidity of, and the amount payable under, such Subordinated Floating Rate Debt Instruments.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by any of the international or national reforms in making any investment decision with respect to any Subordinated Debt Instruments linked to or referencing a "benchmark".

3.2.7 The market continues to develop in relation to "Overnight Rates" as a reference rate

Where the relevant Pricing Supplement for a Series of Subordinated Floating Rate Debt Instruments specifies that the interest rate for such Subordinated Floating Rate Debt Instruments will be determined by reference to SONIA, interest will be determined on the basis of Compounded Daily SONIA, SONIA Index Determination or Average SONIA (each as defined in the Conditions and each, an "**Overnight Rate**"). These Overnight Rates differ from the now discontinued inter-bank lending rates that they look to replace in a number of material respects, including (without limitation) that these Overnight Rates are backwards-looking, compounded, risk-free overnight rates, whereas the previous inter-bank lending rates were expressed on the basis of a forward-looking term and included a credit risk-element based on inter-bank lending. As such, investors should be aware that there may be a material difference in the behaviour of the relevant inter-bank lending rate and the related Overnight Rate as interest reference rates for Subordinated Floating Rate Debt Instruments.

Certain historical indicative secured overnight financing rates are published, although such historical indicative data inherently involves assumptions, estimates and approximations. Potential investors in Subordinated Floating Rate Debt Instruments referencing an Overnight Rate should not rely on such historical indicative data or on any historical changes or trends in the relevant Overnight Rate, as the case may be, as an

indicator of the future performance of such Overnight Rate. For example, since the initial publication of certain Overnight Rates, daily changes in such Overnight Rates have, on occasion, been more volatile than daily changes in comparable benchmark or market rates. As a result, the return on and value and market price of Subordinated Floating Rate Debt Instruments that reference an Overnight Rate may fluctuate more than floating rate debt securities that are linked to less volatile rates. In addition, the volatility of an Overnight Rate has reflected the underlying volatility of the relevant overnight market. The relevant central banks have at times conducted operations in the relevant overnight markets in order to help maintain other rates within a target range. There can be no assurance that such operations will continue to be conducted in the future, and the duration and extent of any such operations is inherently uncertain. The effect of any such operations, or of the cessation of such operations to the extent they are commenced, is uncertain and could be materially adverse to investors in Subordinated Floating Rate Debt Instruments referencing the relevant Overnight Rate. Accordingly, any Overnight Rate over the term of any Subordinated Floating Rate Debt Instruments referencing such Overnight Rate may bear little or no relation to the historical actual or indicative data. There can further be no assurance that any of the Overnight Rates will be positive.

Accordingly, prospective investors in any Subordinated Floating Rate Debt Instruments referencing an Overnight Rate should be aware that the market continues to develop in relation to such rates as reference rates in the capital markets and its adoption as an alternative to the discontinued inter-bank lending rates. For example, in the context of backward-looking Overnight Rates, market participants and relevant working groups continue to explore a forward-looking 'term' for Overnight Rates (which seek to measure the market's forward expectation of an average Overnight Rate over a designated term). The adoption of Overnight Rates may also see component inputs into swap rates or other composite rates transferring from the relevant inter-bank lending rate or another reference rate to such Overnight Rates.

The market or a significant part thereof may adopt an application of an Overnight Rate that differs significantly from that set out in the Conditions in the case of Subordinated Floating Rate Debt Instruments issued under this Programme for which Compounded Daily SONIA is specified as being applicable in the relevant Pricing Supplement. Furthermore, the Issuer may in the future issue Subordinated Floating Rate Debt Instruments referencing Overnight Rates that differ materially in terms of the interest determination provisions when compared with the provisions for such determination as set out in the Conditions. The continued development of rates based on such Overnight Rates for the Eurobond markets, and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Subordinated Floating Rate Debt Instruments issued under the Programme from time to time referencing Overnight Rates.

In addition, the manner of adoption or application of rates referencing Overnight Rates in the Eurobond markets may differ materially compared with the application and adoption of such Overnight Rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of reference rates referencing such Overnight Rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Subordinated Floating Rate Debt Instruments referencing such Overnight Rates.

There can be no guarantee that any Overnight Rate will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in such Subordinated Floating Rate Debt Instruments. If the manner in which an Overnight Rate is calculated is changed, that change may result in a reduction in the amount of interest payable on Subordinated Floating Rate Debt Instruments referencing that Overnight Rate and the trading prices of such Subordinated Floating Rate Debt Instruments.

Investors should carefully consider these matters when making their investment decision with respect to any such Subordinated Floating Rate Debt Instruments.

The amount of interest payable with respect to the relevant interest period will only be determined near the end of such period for Subordinated Floating Rate Debt Instruments referencing Overnight Rates

The rate of interest on Subordinated Floating Rate Debt Instruments referencing an Overnight Rate is only capable of being determined at the end of the relevant observation period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in any such Subordinated Floating Rate Debt Instruments to estimate reliably the amount of interest that will be payable on such Subordinated Floating Rate Debt Instruments on each Interest Payment Date. Further, if Subordinated Floating Rate Debt Instruments referencing an Overnight Rate are redeemed or otherwise become due and payable early on a date that is not an Interest Payment Date, the final rate of interest payable in respect of such Subordinated Floating Rate Debt Instruments shall only be determined by reference to a shortened period ending immediately prior to the date on which the Subordinated Floating Rate Debt Instruments become due and payable.

3.2.8 The use of SOFR as a reference rate for any SOFR-referenced Subordinated Debt Instruments is subject to important limitations.

SOFR is a broad U.S. Treasury repo financing rate that represents overnight secured funding transactions. As SOFR is an overnight funding rate, interest on any SOFR-referenced Subordinated Debt Instruments with interest periods longer than overnight will be calculated on the basis of either the arithmetic mean of SOFR over the relevant interest period or compounding SOFR during the relevant interest period. As a consequence of this calculation method, the amount of interest payable on each interest payment date will only be known a short period of time prior to the relevant interest payment date. Subordinated Debt Instrument Holders therefore will not know at the start of the interest period the interest amount that will be payable on any SOFR-referenced Subordinated Debt Instruments.

The New York Federal Reserve notes on its publication page for SOFR that use of SOFR is subject to important limitations and disclaimers, including that the New York Federal Reserve may alter the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice. In addition, SOFR is published by the New York Federal Reserve based on data received from other sources. There can be no guarantee that SOFR will not be fundamentally altered in a manner that is materially adverse to the interests of the Subordinated Debt Instrument Holders. If the manner in which SOFR is calculated is changed, that change may result in a reduction or elimination of the amount of interest payable on SOFR-referenced Subordinated Debt Instruments and a reduction in the trading prices of SOFR-referenced Subordinated Debt Instruments which would have an adverse effect on the Subordinated Debt Instrument Holders who could lose part of their investment.

3.2.9 The interest rate on compounded SOFR-referenced Subordinated Debt Instruments is based on a compounded average of daily SOFR.

For each interest period, the interest rate on a Series of compounded SOFR-referenced Subordinated Debt Instruments will be based on a compounded average of daily SOFR, and not on daily SOFR published on or in respect of a particular date during such interest period. For this and other reasons, the interest rate on a Series of compounded SOFR-referenced Subordinated Debt Instruments during any interest period may not be the same as the interest rate on other investments bearing interest at a rate based on SOFR that use an alternative method to determine the applicable interest rate. Further, if daily SOFR in respect of a particular date during an interest period or observation period (if applicable) for a Series of compounded SOFR-referenced Subordinated Debt Instruments is negative, the inclusion of such daily SOFR in the calculation of compounded SOFR for the applicable interest period will reduce the interest rate and the interest payable on such Series of compounded SOFR-referenced Subordinated Debt Instruments for such interest period.

3.2.10 Interest payments due on a Series of compounded SOFR-referenced Subordinated Debt Instruments will be determined only at the end of the relevant interest period.

Interest payments due on a Series of compounded SOFR-referenced Subordinated Debt Instruments will be determined only at the end of the relevant interest period. Therefore, holders of any Series of compounded SOFR-referenced Subordinated Debt Instruments will not know the amount of interest payable with respect to each interest period until shortly prior to the related interest payment date, and it may be difficult for

investors in such compounded SOFR-referenced Subordinated Debt Instruments to estimate reliably the amounts of interest that will be payable on each such interest payment date at the beginning of or during the relevant interest period. In addition, some investors may be unwilling or unable to trade such compounded SOFR-referenced Subordinated Debt Instruments without changes to their information technology systems, both of which could adversely impact the liquidity and trading price of any Series of compounded SOFR-referenced Subordinated Debt Instruments.

3.2.11 With respect to a Series of compounded SOFR-referenced Subordinated Debt Instruments using the payment delay convention or a convention for which a rate cut-off date is applicable, it will not be possible to calculate accrued interest with respect to any period until after the end of such period or the rate cut-off date, as applicable.

With respect to a Series of compounded SOFR-referenced Subordinated Debt Instruments using the payment delay convention or a convention for which a rate cut-off date is applicable, because daily SOFR in respect of a given day is not published until the U.S. government securities business day immediately following such day, it will not be possible to calculate accrued interest with respect to any period until after the end of such period or the rate cut-off date, as applicable, which may adversely affect your ability to trade such Subordinated Debt Instruments in the secondary market.

3.2.12 The base rate for compounded SOFR-referenced Subordinated Debt Instruments using the payment delay convention or a convention for which a rate cut-off date is applicable will be calculated using the daily SOFR of the relevant cut-off date. A holder of such compounded SOFR-referenced Subordinated Debt Instruments will not receive the benefit of any increase in SOFR on any date subsequent to the relevant cut-off date.

The formula used to determine the base rate for compounded SOFR-referenced Subordinated Debt Instruments using the payment delay convention employs a rate cut-off date for the final interest period with respect to any Series of Subordinated Debt Instruments.

For the final interest period with respect to a Series of compounded SOFR-referenced Subordinated Debt Instruments using the payment delay convention, daily SOFR used in the calculation of compounded SOFR for any day from, and including, the rate cut-off date to, but excluding, the maturity date or the redemption date, if applicable, will be daily SOFR in respect of the rate cut-off date. The rate cut-off date will be two U.S. government securities business days (or such other number of U.S. government securities business days as may be specified in the relevant Pricing Supplement) prior to the maturity date (or redemption date, if applicable).

In addition, the formula used to determine the base rate for compounded SOFR-referenced Subordinated Debt Instruments for any convention using a rate cut-off date may employ, if so specified in the relevant Pricing Supplement, such rate cut-off date for each interest period with respect to such Subordinated Debt Instruments.

As a result of the foregoing, a holder of a Series of compounded SOFR-referenced Subordinated Debt Instruments using the payment delay convention, or a convention for which a rate cut-off date is applicable, will not receive the benefit of any increase in the level of SOFR on any date subsequent to the applicable rate cut-off date in connection with the determination of the interest payable with respect to the final interest period for an applicable Series of compounded SOFR-referenced Subordinated Debt Instruments using the payment delay convention or with respect to each interest period for an applicable Series of compounded SOFR-referenced Subordinated Debt Instruments employing a rate cut-off date, which could reduce the amount of interest that may be payable on the applicable Series of Subordinated Debt Instruments.

3.2.13 Subordinated Debt Instrument Holders of a Series of compounded SOFR-referenced Subordinated Debt Instruments using the payment delay convention will receive payments of interest on a delayed basis.

The interest payment dates for any Series of compounded SOFR-referenced Subordinated Debt Instruments using the payment delay convention with respect to interest rate determination and interest payments will be two business days (or such other number of business days as may be specified in the relevant Pricing Supplement) after the interest period demarcation date at the end of each interest period for such Series. This convention differs from the interest payment convention that has been used historically for floating-rate notes with forward-looking interest rates based on other benchmark or market rates where interest typically has been determined at the start of an interest period and paid on a fixed day that immediately follows the final day of the applicable interest period. As a result, holders of a series of compounded SOFR-referenced Subordinated Debt Instruments using the payment delay convention will receive payments of interest on a delayed basis as compared to floating-rate notes in which they previously may have invested.

4. Conditions of the Subordinated Debt Instruments

The following (save for the italicised text) is a composite text of the terms and conditions which (subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement) will be applicable to each Series of Subordinated Debt Instruments.

*References in the terms and conditions to "Issuer" are, unless the contrary intention appears, references to the Issuer specified in the relevant Pricing Supplement. References in the terms and conditions to "Subordinated Debt Instruments" are, unless the contrary intention appears, to the Subordinated Debt Instruments of one Series of the type specified in the relevant Pricing Supplement only, not to all Subordinated Debt Instruments which may be issued under the Issuer's Subordinated Tier 2 Debt Instrument Programme (the "**Programme**"). Terms used in the relevant Pricing Supplement will, unless the contrary intention appears, have the same meaning where used in the terms and conditions.*

The Subordinated Debt Instruments (other than Subordinated Debt Instruments in the form of Australian Domestic Notes) are issued pursuant to the agency agreement dated on or about 5 June 2026, and as the same may be further amended, restated and/or supplemented from time to time (the "**Euro Agency Agreement**") between the Issuer, Citibank, N.A., London Branch as issuing and paying agent (the "**I&P Agent**"), any transfer agent ("**Transfer Agent**"), any registrar ("**Euro Registrar**") and any other agents subsequently appointed, successors thereto in such capacity and any additional or substitute agents appointed to the Programme from time to time. The Subordinated Debt Instrument Holders (as defined in Condition 2.3 below, which expression includes, unless the contrary intention appears, the holders of the coupons ("**Coupons**") (if any) appertaining to interest-bearing Subordinated Debt Instruments in bearer form ("**Couponholders**") and the holders of talons ("**Talons**") (if any) for further coupons attached to such Subordinated Debt Instruments ("**Talonholders**")), other than holders of Australian Domestic Notes, are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Euro Agency Agreement, and are entitled to the benefit of a deed of covenant made by the Issuer dated on or about 20 December 2023 as the same may be amended, restated and/or supplemented from time to time ("**Deed of Covenant**").

Subordinated Debt Instruments in the form of Australian Domestic Notes are debt obligations of the Issuer constituted by, and owing under, the deed poll made by the Issuer dated on or about 20 December 2023, as the same may be amended, restated and/or supplemented from time to time (the "**Australian Note Deed Poll**"). In connection with the Australian Domestic Notes, the Issuer has entered into an agency and registry agreement dated 28 July 2009, as the same may be amended, restated and/or supplemented from time to time (the "**Australian Registry Agreement**") between the Issuer and Austraclear Services Limited (ABN 28 003 284 419), as registrar (the "**Australian Registrar**").

The Pricing Supplement for this Subordinated Debt Instrument which is attached to or endorsed on this Subordinated Debt Instrument supplements and completes these Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purposes of this Subordinated Debt Instrument. References in these Conditions to the "**relevant Pricing Supplement**" are to the Pricing Supplement setting out the final terms of this Subordinated Debt Instrument which is attached to, endorsed on, or otherwise applicable to this Subordinated Debt Instrument.

The Issuer may issue Subordinated Debt Instrument acting through its head office in Sydney, or, subject to APRA's prior written approval, through its London branch ("**London Branch**"), or its Singapore branch ("**Singapore Branch**"), in each case, as may be specified in the Pricing Supplement.

As used in these Conditions, "**Series**" means each original issue of Subordinated Debt Instruments together with any further issues expressed to form a single Series with the original issue and the terms of which (save for the date of issue ("**Issue Date**")), the date from which interest accrues ("**Interest Commencement Date**"), the issue price of the Subordinated Debt Instruments ("**Issue Price**") and the amount of the first interest payment (if any) (as specified in the relevant Pricing Supplement) are identical (including whether or not the

Subordinated Debt Instruments are to be listed). However, the Pricing Supplement for this Subordinated Debt Instrument may provide that a particular Tranche will not become fungible with Subordinated Debt Instruments of another Tranche or Tranches forming part of the same Series until the time specified in the Pricing Supplement. As used in these Conditions, "**Tranche**" means all Subordinated Debt Instruments of the same Series with the same Issue Date and Interest Commencement Date.

All references in these Conditions to Subordinated Debt Instruments, Coupons and Talons must be read and construed as references to the Subordinated Debt Instruments, Coupons and Talons of a particular Series.

Words and expressions defined in the Euro Agency Agreement or the Australian Note Deed Poll (as applicable) or used in the relevant Pricing Supplement shall have the same meanings where used in these Conditions unless the contrary intention appears or unless otherwise stated and provided that, in the event of inconsistency between the Euro Agency Agreement or the Australian Note Deed Poll (as applicable) and the relevant Pricing Supplement, the relevant Pricing Supplement will prevail.

Copies of:

(a) the Deed of Covenant and the Euro Agency Agreement are obtainable from and, available for inspection during normal business hours at the specified office of the I&P Agent;

(b) the Australian Note Deed Poll and the Australian Registry Agreement are available for inspection during normal business hours at the specified office of the Issuer; and

(c) the relevant Pricing Supplement are available for inspection during normal business hours at the specified office of the Issuer and, in the case of Subordinated Debt Instruments which are not in the form of Australian Domestic Notes, the I&P Agent,

provided that such documents shall only be obtainable by a Subordinated Debt Instrument Holder, a Couponholder or a genuine prospective Subordinated Debt Instrument Holder, and such current or prospective Subordinated Debt Instrument Holder or Couponholder (as applicable) must produce evidence satisfactory to the Issuer or, as the case may be, the I&P Agent as to its holding or prospective holding of such Subordinated Debt Instruments and identity.

The Subordinated Debt Instrument Holders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Euro Agency Agreement, the Deed of Covenant, the Australian Note Deed Poll, the Australian Registry Agreement and the Pricing Supplement to the extent applicable to them.

1 Form and Denomination

1.1 General

References in these Conditions to "Subordinated Debt Instruments" are references to the type of Subordinated Debt Instrument specified in the relevant Pricing Supplement. For the avoidance of doubt, where certain Conditions are expressed to only apply to certain types of Subordinated Debt Instrument, such Conditions only apply to that type of Subordinated Debt Instrument as specified in the relevant Pricing Supplement and do not apply to other types of Subordinated Debt Instruments.

Subordinated Debt Instruments are issued in bearer form ("**Subordinated Bearer Debt Instruments**") or registered form ("**Subordinated Registered Debt Instruments**"), as specified in the relevant Pricing Supplement. A Subordinated Registered Debt Instrument may be lodged in the Austraclear System, as specified in the relevant Pricing Supplement (for so long as such Subordinated Debt Instrument remains so lodged, a "**Subordinated Registered Debt Instrument in Austraclear**") and may be issued as an Australian Domestic Note. The relevant Pricing Supplement will specify whether a Subordinated Debt Instrument is an Australian Domestic Note. Australian Domestic Notes

are issued in registered form only.

In these Conditions and unless the contrary intention appears:

(a) references to "Subordinated Debt Instruments" are to Subordinated Bearer Debt Instruments and Subordinated Registered Debt Instruments;

(b) references to "Subordinated Registered Debt Instruments" shall include Subordinated Debt Instruments in the form of Australian Domestic Notes (unless otherwise stated); and

(c) references to "Subordinated Global Debt Instruments", "Subordinated Definitive Debt Instruments" or Subordinated Debt Instruments "in definitive form" shall be taken not to include any Australian Domestic Note.

1.2 Type of Subordinated Debt Instruments

Each Subordinated Debt Instrument may be a Subordinated Fixed Rate Debt Instrument, a Subordinated Floating Rate Debt Instrument or a combination of any of the foregoing, as specified in the relevant Pricing Supplement.

1.3 Form of Subordinated Bearer Debt Instruments

Unless otherwise specified in the relevant Pricing Supplement, interest-bearing Subordinated Bearer Debt Instruments in definitive form will be serially numbered and issued with Coupons (and where appropriate, a Talon) attached. On or after the date on which all the Coupons attached to, or issued in respect of, any Subordinated Bearer Debt Instrument which was issued with a Talon have matured, a coupon sheet comprising further Coupons (other than Coupons which would be void) and, if applicable, one further Talon, will be issued against presentation of the relevant Talon at the specified office of the I&P Agent in accordance with Condition 9.1.5.

1.4 Form of Subordinated Registered Debt Instruments

Subordinated Registered Debt Instruments (other than Australian Domestic Notes) are constituted by the Deed of Covenant. Holders of such Subordinated Registered Debt Instruments are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Deed of Covenant.

Australian Domestic Notes are constituted by the Australian Note Deed Poll. Holders of Subordinated Debt Instruments in the form of Australian Domestic Notes are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Australian Note Deed Poll.

Where Subordinated Debt Instruments (other than Australian Domestic Notes) are issued in registered form, no certificate or other evidence of title will be issued unless the Issuer determines that certificates should be available or the Issuer is required to do so pursuant to any applicable law or regulation. Each certificate represents a holding of one or more such Subordinated Debt Instruments by the same Subordinated Debt Instrument Holder.

No certificates will be issued to Subordinated Debt Instrument Holders in respect of Australian Domestic Notes unless the Issuer determines that certificates should be available or if certificates are required by any applicable law or directive.

1.5 Denomination and nominal amount

Subordinated Debt Instruments will be in the denomination or denominations specified in the relevant Pricing Supplement or integral multiples thereof ("**Specified Denomination**"). Subordinated Bearer Debt Instruments of one denomination may not be exchanged for Subordinated Bearer Debt

Instruments of another denomination.

The nominal amount in respect of a Subordinated Debt Instrument ("**nominal amount**") is an amount equal to its Specified Denomination, as it may be reduced by Exchange or Write-Off as provided in these Conditions.

Subordinated Debt Instruments will be issued fully paid.

1.6 Currency of Subordinated Debt Instruments

Subject to compliance with all applicable legal and/or regulatory requirements, Subordinated Debt Instruments may be denominated in the lawful currency of the Commonwealth of Australia ("**Australian Dollars**" or "**A$**"), the lawful currency of the United States of America ("**U.S. Dollars**" or "**U.S.$**"), the lawful currency of Japan ("**Yen**"), the lawful currency of Singapore ("**Singapore Dollars**" or "**SGD**"), the lawful currency of the United Kingdom ("**Sterling**", "**GBP**" or "**£**"), the currency introduced at the third stage of European economic and monetary union pursuant to the Treaty establishing the European Communities, as amended by the Treaty on European Union ("**Euro**"), the lawful currency of New Zealand ("**New Zealand Dollars**" or "**NZD**"), the lawful currency of Hong Kong ("**Hong Kong Dollars**" or "**HKD**") or in any other currency or currencies specified in the relevant Pricing Supplement ("**Specified Currency**").

1.7 Not deposits, not guaranteed and unsecured

The Subordinated Debt Instruments do not represent protected accounts of the Issuer for the purposes of the Banking Act or any similar law of any jurisdiction and nor do they represent deposits with, or deposit liabilities of the Issuer for any other purposes of the Banking Act or the laws of any jurisdiction.

Except for a claim made on the Issuer in accordance with these Conditions, the Euro Agency Agreement, the Deed of Covenant or the Australian Note Deed Poll (as applicable), a Subordinated Debt Instrument Holder has no claim on the Issuer, MGL or any other member of the Macquarie Group for payment of any amount or the performance of any obligation in respect of any Subordinated Debt Instruments held by that Subordinated Debt Instrument Holder.

The Subordinated Debt Instruments are unsecured and are not obligations of the Australian Government or of any other government and, in particular, are not guaranteed or insured by the Commonwealth of Australia or any government, government agency or compensation scheme in any jurisdiction or by MGL or any other person.

*The Issuer is an "authorised deposit-taking institution" ("**ADI**") as that term is defined under the Banking Act. The Banking Act provides that, in the event an ADI becomes unable to meet its obligations or suspends payment, the ADI's assets in Australia are available to meet specified liabilities of the ADI in priority to all other liabilities of the ADI (including the Subordinated Debt Instruments). These specified liabilities include certain obligations of the ADI to APRA in respect of amounts payable by APRA to holders of protected accounts, other liabilities of the ADI in Australia in relation to protected accounts, debts to the RBA and certain other debts to APRA. A "**protected account**" is either (a) an account where the ADI is required to pay the account-holder, on demand or at an agreed time, the net credit balance of the account, or (b) another account or financial product prescribed by regulation. Subordinated Debt Instruments do not constitute a protected account of, or (unless expressly provided in the relevant Pricing Supplement) a deposit with, the Issuer. Changes to applicable law may extend the liabilities required to be preferred by law.*

1.8 No other rights

Except as expressly provided in these Conditions, no Subordinated Debt Instrument Holder has:

(a) any claim against the Issuer, MGL or any other member of the Macquarie Group except as expressly set out in these Conditions;

(b) any right to:

(i) subscribe for securities, or to participate in any bonus issues of securities, of the Issuer, MGL or any other member of the Macquarie Group; or

(ii) to otherwise participate in the profits or property of the Issuer, MGL or any other member of the Macquarie Group, except by receiving payments as set out in these Conditions.

1.9 No limitations on dealings with other securities

Nothing in these Conditions limits the ability of Issuer, MGL or any member of the Macquarie Group, in its absolute discretion from time to time, from:

(a) issuing shares or other securities of any kind, whether ranking equally with, in priority to or junior to, or having different rights from the Subordinated Debt Instruments; or

(b) redeeming, converting, buying back, returning or distributing capital in respect of any share capital or any other securities of any kind, whether ranking behind, equally with, or in priority to the Subordinated Debt Instruments.

1.10 Transfer restriction

Subordinated Debt Instruments may only be transferred pursuant to offers received in Australia if:

(a) the aggregate consideration payable at the time of transfer is at least A$500,000 (or its equivalent in an alternative currency) (disregarding moneys lent by the transferor or its associates) or the Subordinated Debt Instruments are otherwise transferred in a manner which does not require disclosure in accordance with Part 6D.2 (disregarding section 708(19)) or Chapter 7 of the Corporations Act; and

(b) the transfer does not constitute an offer to a "retail client" as defined for the purposes of section 761G of the Corporations Act.

Subordinated Debt Instruments may only be transferred between persons in a jurisdiction or jurisdictions outside Australia if the transfer is in compliance with the laws of the jurisdiction in which the transfer takes place and the transfer of the Subordinated Debt Instruments otherwise does not require disclosure to investors in accordance with the laws of the jurisdiction in which the transfer takes place.

1.11 Australian Registrar

In the case of any Subordinated Registered Debt Instruments in Austraclear, each person in whose Security Record (as defined in the Austraclear Regulations) a Subordinated Registered Debt Instrument in Austraclear is recorded is deemed to acknowledge in favour of the Australian Registrar, the Issuer and Austraclear that:

(a) the Australian Registrar's decision to act as the Australian Registrar in respect of that Subordinated Debt Instrument is not a recommendation or endorsement by the Australian Registrar or Austraclear in relation to that Subordinated Debt Instrument, but only indicates that the Australian Registrar considers that the holding of the Subordinated Debt Instrument

is compatible with the performance by it of its obligations as Australian Registrar under the Australian Registry Agreement; and

(b) the holder does not rely on any fact, matter or circumstance contrary to Condition 1.11(a).

2 Title

2.1 Title to Subordinated Bearer Debt Instruments, Coupons and Talons

Title to Subordinated Bearer Debt Instruments, Coupons and Talons passes by delivery.

2.2 Title to Subordinated Registered Debt Instruments

Subject to Condition 2.4 in the case of Australian Domestic Notes, title to Subordinated Registered Debt Instruments passes by registration in the relevant Register which the Issuer shall procure to be kept by the relevant Registrar in accordance with the provisions of the Euro Agency Agreement or the Australian Registry Agreement (as the case may be).

2.3 Title – general

In these Conditions, subject as provided below, "**Subordinated Debt Instrument Holder**" means:

(a) (in relation to a Subordinated Bearer Debt Instrument, Coupon or Talon) the bearer of any Subordinated Bearer Debt Instrument, Coupon or Talon (as the case may be);

(b) the person in whose name a Subordinated Registered Debt Instrument is registered, as the case may be, subject to paragraph (c) in the case of a Subordinated Registered Debt Instrument in Austraclear; or

(c) in the case of a Subordinated Registered Debt Instrument in Austraclear, for the purposes of determining the person entitled to be issued MGL Ordinary Shares (or, where Condition 8.10 applies, the net proceeds of sale of such shares) and the amount of their entitlements, the person who is the "Austraclear Participant" (as defined in the Austraclear Regulations) to whose security account in Austraclear the Subordinated Registered Debt Instrument in Austraclear is credited.

A Subordinated Debt Instrument Holder will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss or any express or constructive notice of any claim by any other person of any interest therein other than, in the case of a Subordinated Registered Debt Instrument, a duly executed transfer of such Subordinated Debt Instrument) and no person will be liable for so treating the Subordinated Debt Instrument Holder.

2.4 Title to Australian Domestic Notes

In respect of Australian Domestic Notes, each entry in the Australian Register in respect of a Subordinated Debt Instrument constitutes:

(a) an irrevocable undertaking by the Issuer to the Subordinated Debt Instrument Holder to:

(i) pay principal, (if applicable) interest and any other amount in accordance with these Conditions; and

(ii) comply with the other Conditions of the Subordinated Debt Instrument; and

(b) an entitlement to the other benefits given to Subordinated Debt Instrument Holders in respect of the Subordinated Debt Instrument under these Conditions.

Entries in the Australian Register in relation to an Australian Domestic Note constitute conclusive evidence that the person so entered is the absolute owner of the Subordinated Debt Instrument subject to correction for fraud or error. Where two or more persons are entered in the Australian Register as the joint holder of an Australian Domestic Note then they are taken to hold the Subordinated Debt Instrument as joint tenants with rights of survivorship, but the Australian Registrar is not bound to register more than four persons as joint holders of a Subordinated Debt Instrument.

3 Exchanges of Subordinated Bearer Debt Instruments for Subordinated Registered Debt Instruments and transfers of Subordinated Registered Debt Instruments

3.1 Exchange of Subordinated Bearer Debt Instruments

Subject to Condition 3.8, Subordinated Bearer Debt Instruments may, if so specified in the relevant Pricing Supplement, be exchanged for the same aggregate nominal amount of Subordinated Registered Debt Instruments at the request in writing of the relevant Subordinated Debt Instrument Holders and upon surrender of the Subordinated Bearer Debt Instrument to be exchanged together with all unmatured Coupons and Talons relating to it (if any) at the specified office of the Euro Registrar or the specified office of the Transfer Agent. Without limiting the previous sentence, the relevant Pricing Supplement may specify that Subordinated Bearer Debt Instruments may be exchanged for Subordinated Registered Debt Instruments only with the prior written approval of the Issuer or such other or additional persons as are specified in such Pricing Supplement. Where, however, a Subordinated Bearer Debt Instrument is surrendered for exchange after the Record Date (as defined in Condition 9.2.2) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Subordinated Registered Debt Instruments may not be exchanged for Subordinated Bearer Debt Instruments.

3.2 Transfer of Subordinated Registered Debt Instruments other than Australian Domestic Notes

A Subordinated Registered Debt Instrument may be transferred in whole but not in part upon the surrender of the relevant certificate by which such Subordinated Registered Debt Instrument is represented (if the Subordinated Debt Instrument is certificated), together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Euro Registrar or the specified office of the Transfer Agent. In the case of a certificated Subordinated Registered Debt Instrument, a new certificate will be issued to the transferee and in the case of a transfer of a Subordinated Registered Debt Instrument which forms part only of a holding represented by a certificate, a new certificate in respect of the balance not transferred will be issued to the transferor.

This Condition 3.2 does not limit Exchange in accordance with Conditions 7 and 8.

3.3 Transfer of Australian Domestic Notes

Subject to Condition 1.4, Australian Domestic Notes are uncertificated and references in these Conditions to the issue, surrender or delivery of certificates do not apply to Australian Domestic Notes.

If Australian Domestic Notes are Subordinated Registered Debt Instruments in Austraclear, they may be transferred only in accordance with the Austraclear Regulations.

If Australian Domestic Notes are not Subordinated Registered Debt Instruments in Austraclear, application for the transfer of Australian Domestic Notes must be made by the lodgement of a transfer form with the Australian Registrar. Transfer forms are available from the Australian Registrar. Each form must be duly stamped (if applicable) and accompanied by such evidence (if any) as the

Australian Registrar may require to prove the title of the transferor or the transferor's right to transfer the Australian Domestic Notes and be signed by both the transferor and the transferee.

This Condition 3.3 does not limit Exchange in accordance with Conditions 7 and 8.

3.4 Information Requirements

Subordinated Bearer Debt Instruments will not be exchanged for Subordinated Registered Debt Instruments nor will Subordinated Registered Debt Instruments be transferred if the exchangee or transferee is an Australian resident, or a non-Australian resident that holds the Subordinated Debt Instruments in carrying on business in Australia at or through a permanent establishment of the exchangee or transferee in Australia and fails to provide a TFN, ABN, or evidence that the exchangee or transferee (as the case may be) is not required to provide a TFN or ABN.

The forms of exchange and transfer will require the exchangee or transferee (as the case may be) to certify whether or not such person is an Australian resident, or a non-Australian resident that holds the Subordinated Debt Instruments in carrying on business in Australia at or through a permanent establishment of the exchangee or transferee in Australia and, if so, the transferee may provide a TFN or ABN or evidence that such person is not required to provide a TFN or ABN.

3.5 Partial redemption or exercise of options in respect of Subordinated Registered Debt Instruments

In the case of a partial redemption of a holding of Subordinated Registered Debt Instruments represented by a single certificate or a partial exercise of the Issuer's option to redeem in respect of a holding of Subordinated Registered Debt Instruments represented by a single certificate, a new certificate will be issued to the Subordinated Debt Instrument Holder in respect of the balance of the holding not redeemed or in respect of which the relevant option has not been exercised. In the case of a partial exercise of an option resulting in Subordinated Registered Debt Instruments of the same holding having different terms, separate certificates shall be issued in respect of those Subordinated Debt Instruments of that holding that have the same terms. New certificates shall only be issued against surrender of the existing certificates to the Registrar or the Transfer Agent.

3.6 Delivery of new certificates representing Subordinated Registered Debt Instruments

In the case of certificated Subordinated Registered Debt Instruments, each new certificate to be issued upon exchange of Subordinated Bearer Debt Instruments or transfer of Subordinated Registered Debt Instruments will, within three Business Days (in the place of the specified office of the Registrar and the specified office of the Transfer Agent) of receipt of such request for exchange or form of transfer, be available for delivery at the specified office of the Registrar and the specified office of the Transfer Agent, or be mailed at the risk of the Subordinated Debt Instrument Holder entitled to the Subordinated Registered Debt Instrument, to such address as may be specified in such request or form of transfer.

3.7 Exchange free of charge

Registration of Subordinated Debt Instruments on exchange of Subordinated Bearer Debt Instruments for Subordinated Registered Debt Instruments or transfer of Subordinated Registered Debt Instruments will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent (other than any insurance charges or any expenses of delivery (if applicable) by other than regular mail), but upon payment of (or the giving of such indemnity as the Registrar or the Transfer Agent may require in respect of) any tax or other governmental charges which may be imposed in relation to it.

3.8 Closed periods

No Subordinated Debt Instrument Holder may require the transfer of a Subordinated Registered Debt Instrument to be registered or a Subordinated Bearer Debt Instrument to be exchanged for a Subordinated Registered Debt Instrument:

(a) during the period of 15 days ending on the due date for any payment of principal on that Subordinated Debt Instrument;

(b) during the period of 15 days before any drawing of Subordinated Debt Instruments for redemption under Condition 6.2; or

(c) after any such Subordinated Debt Instrument has been drawn for redemption in whole or in part.

4 Status and subordination

4.1 Ranking

Subordinated Debt Instruments will rank in a Winding-Up of the Issuer:

(a) senior to Junior Ranking Obligations;

(b) pari passu with Equal Ranking Obligations; and

(c) subordinate to all claims of Senior Creditors, as provided under Condition 4.2.

4.2 Subordination

The rights and claims of Subordinated Debt Instrument Holders, in the event of a Winding-Up of the Issuer, are expressly subject to the conditions, and subordinated on the basis, set out in this Condition 4.

(a) Prior to the commencement of a Winding-Up of the Issuer:

(i) the Issuer's obligation to make payment of any amount (whether principal, interest or otherwise) in respect of the Subordinated Debt Instruments is conditional upon the Issuer being solvent at the time the payment falls due; and

(ii) no payment of any amount (whether principal, interest or otherwise) shall be made in respect of the Subordinated Debt Instruments, except to the extent that the Issuer may make such payment and still be solvent immediately thereafter,

(the "**Solvency Condition**").

Any amount not paid on account of the Solvency Condition remains a debt owing to the Subordinated Debt Instrument Holder by the Issuer until it is paid and will be payable on the first date on which payment can be made in compliance with the Solvency Condition.

(b) In the Issuer's Winding-Up, the rights of a Subordinated Debt Instrument Holder against the Issuer to recover any amount (whether principal, interest or otherwise) in respect of a Subordinated Debt Instrument:

(i) shall be subordinate and junior in right of payment to the Issuer's obligations to Senior Creditors, to the extent that all claims in respect of such obligations to Senior

Creditors shall be entitled to be paid in full before any payment shall be paid on account of any amount owing in respect of a Subordinated Debt Instrument;

(ii) shall rank pari passu and rateably (as to its due proportion only) with the Issuer's other subordinated creditors in respect of Equal Ranking Obligations; and

(iii) shall be senior and rank ahead in right of payment to the Issuer's obligations in respect of Junior Ranking Obligations.

(c) In the Issuer's Winding-Up, Subordinated Debt Instrument Holders shall only be entitled to prove for any amount in respect of their Subordinated Debt Instruments as a debt which is subject to and contingent upon prior payment in full of the Senior Creditors. Subordinated Debt Instrument Holders waive to the fullest extent permitted by law any right to prove in any such Winding-Up as a creditor ranking for payment in any other manner.

4.3 No set-off

Neither the Issuer nor any Subordinated Debt Instrument Holder shall be entitled to:

(a) set-off against any amounts owing in respect of a Subordinated Debt Instrument held by such holder any amount held by the holder to the Issuer's credit whether in any account, in cash or otherwise, or any of its deposits, advances or debts, or any other amount owing by a holder to the Issuer on any account whatsoever; or

(b) effect any reduction of the amount owing to such holder in respect of a Subordinated Debt Instrument by merger of accounts or lien or the exercise of any other rights the effect of which is or may be to reduce the amount due in respect of such Subordinated Debt Instruments.

4.4 Further acknowledgements in relation to subordination

(a) Any payment whether voluntary or in any other circumstances received by a Subordinated Debt Instrument Holder from or on the Issuer's account (including by way of credit, set-off by operation of law or otherwise) or from any liquidator, receiver, manager or statutory manager in breach of the terms hereof, will be held by such holder in trust for and to the order of the Senior Creditors. Such trust shall be for a term expiring on the earlier of the date on which all Senior Creditors have been paid in full or eighty years from the date of the issue of the Subordinated Debt Instruments.

(b) Each Subordinated Debt Instrument Holder by its purchase or holding of an interest in such Subordinated Debt Instruments is taken to have irrevocably acknowledged and agreed that:

(i) this Condition 4 constitutes a debt subordination for the purposes of section 563C of the Corporations Act;

(ii) the Issuer's obligations in respect of the Subordinated Debt Instruments are subordinated in the manner provided in Condition 4; and

(iii) the debt subordination effected by this Condition 4 is not affected by any act or omission of the Issuer or a Senior Creditor which might otherwise affect it at law or in equity.

5 Interest

5.1 General

Subordinated Debt Instruments may bear interest at either a fixed rate or a floating rate. In relation to any Tranche of Subordinated Debt Instruments, the relevant Pricing Supplement may specify actual amounts of interest payable ("**Interest Amounts**") rather than, or in addition to, a rate or rates at which interest accrues.

The Pricing Supplement in relation to each Tranche of interest-bearing Subordinated Debt Instruments will specify which of Conditions 5.2, 5.3 and 5.4 will be applicable to the Subordinated Debt Instruments. Condition 5.5 will be applicable to each Tranche of interest-bearing Subordinated Debt Instruments save to the extent of any inconsistency with the relevant Pricing Supplement.

5.2 Interest – fixed rate

Each Subordinated Debt Instrument in relation to which this Condition 5.2 is specified in the relevant Pricing Supplement as being applicable ("**Subordinated Fixed Rate Debt Instruments**") will bear interest on its outstanding nominal amount at the fixed rate or rates per annum specified in the relevant Pricing Supplement from the Issue Date or such other date as is specified in the relevant Pricing Supplement as being the Interest Commencement Date. Interest will be payable in arrear on each Interest Payment Date as adjusted, if applicable, in accordance with the Business Day Convention specified in the relevant Pricing Supplement.

Interest which is required to be calculated for a period of other than a full year will be calculated on the basis of a year of 360 days and 12 months of 30 days each or on such other basis as may be specified as the Day Count Fraction in the relevant Pricing Supplement.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date and, if the first anniversary of the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount.

If the Maturity Date is not an Interest Payment Date, interest from (and including) the preceding Interest Payment Date (or the Interest Commencement Date, as the case may be) to (but excluding) the Maturity Date will amount to the Final Broken Amount.

5.3 Interest – floating rate

(a) Accrual of interest

Subordinated Debt Instruments in relation to which this Condition 5.3 is specified in the relevant Pricing Supplement as being applicable ("**Subordinated Floating Rate Debt Instruments**") will bear interest in respect of each Interest Period at the rate or rates per annum specified in the relevant Pricing Supplement determined in accordance with this Condition 5.3.

Each Subordinated Floating Rate Debt Instrument will bear interest on its outstanding nominal amount at the Interest Rate (as defined below) from the Issue Date of the Subordinated Debt Instruments or such other date as is specified in the relevant Pricing Supplement as being the Interest Commencement Date. Interest will be payable in arrear on each Interest Payment Date. If any Interest Payment Date in respect of a Subordinated Floating Rate Debt Instrument would otherwise fall on a day which is not a Business Day, such Interest Payment Date shall be determined in accordance with the Business Day Convention specified in the relevant Pricing Supplement.

(b) Interest Rate

The rate of interest payable in respect of Subordinated Floating Rate Debt Instruments ("**Interest Rate**") shall be determined by the Calculation Agent on the basis of (i), (ii), (iii), (iv) or (v) below, as specified in the relevant Pricing Supplement.

(i) Screen Rate Determination for Subordinated Floating Rate Debt Instruments not referencing SONIA or SOFR

Where the Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Interest Rate is to be determined and unless the Reference Rate in respect of the relevant Series of Subordinated Floating Rate Debt Instruments is specified in the relevant Pricing Supplement as being "Compounded Daily SONIA", "SONIA Index Determination", "Average SONIA", "SOFR Arithmetic Mean", "SOFR Delay Compound", "SOFR Index Compound", "SOFR Lockout Compound", "SOFR Lookback Compound" or "SOFR Shift Compound", the Interest Rate for each Interest Period will, subject as provided below, be either:

(A) the offered quotation; or

(B) the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Relevant Time in the Relevant Financial Centre on the Interest Determination Date in question plus or minus (as specified in the relevant Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purposes of determining the arithmetic mean (rounded as provided above) of such offered quotations.

(A) If (A) applies and no offered quotation appears on the Relevant Screen Page at the Relevant Time in the Relevant Financial Centre on the Interest Determination Date or if (B) applies and fewer than two offered quotations appear on the Relevant Screen Page at the Relevant Time in the Relevant Financial Centre on the Interest Determination Date, subject as provided below, the Interest Rate shall be the arithmetic mean of the Reference Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent.

(B) If paragraph (A) above applies and the Calculation Agent determines that fewer than two Reference Banks are making offered quotations for the Reference Rate in respect of the Specified Currency, subject as provided below, the Interest Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Reference Rate) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified

Currency is Euro, in such financial centre(s) as is/are specified in the relevant Pricing Supplement, in each case as selected by the Calculation Agent ("**Principal Financial Centre**") are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the first day of the Interest Period to which the relevant Interest Determination Date relates for a period equivalent to the relevant Interest Period (x) two leading banks carrying on business in Europe, or (if the relevant currency is not Euro and the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (y) two leading banks carrying on business in the Principal Financial Centre.

For the purposes of this sub-paragraph (i), "**Reference Rate**", "**Relevant Screen Page**", "**Relevant Time**" and "**Interest Determination Date**" have the meanings given to them in the relevant Pricing Supplement.

(ii) *Screen Rate Determination for Subordinated Floating Rate Debt Instruments referencing SONIA*

(A) Where "Screen Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate is to be determined and the Reference Rate is specified in the relevant Pricing Supplement as being "Compounded Daily SONIA", the Interest Rate for a SONIA Interest Accrual Period (as defined below) will, subject as provided below, be the Compounded Daily SONIA Formula Rate with respect to such SONIA Interest Accrual Period plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any).

In these Conditions:

"**Compounded Daily SONIA Formula Rate**" means, with respect to a SONIA Interest Accrual Period, the rate of return of a daily compound interest investment in Sterling (with the Sterling Overnight Index Average as the reference rate for the calculation of interest) as calculated by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards):

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

where:

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

(a) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the relevant SONIA Interest Accrual Period; or

(b) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

"$\mathbf{d_o}$" is the number of London Banking Days in:

(a) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the relevant SONIA Interest Accrual Period; or

(b) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant Observation Period;

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

(a) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the relevant SONIA Interest Accrual Period; or

(b) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the relevant 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;

"$\mathbf{n_i}$", 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 a SONIA Interest Accrual Period, the period from (and including) the date falling "*p*" London Banking Days prior to the first day of the relevant SONIA Interest Accrual Period to (but excluding) the date falling "*p*" London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other SONIA Interest Accrual Period) the date on which the relevant payment of interest falls due;

"**p**" means:

(a) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the number of London Banking Days included in the "Lag Lookback Period (p)" in the relevant Pricing Supplement (or, if no such number is so specified, five London Banking Days); or

(b) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the number of London Banking Days included in the "Observation Shift Period" in the relevant Pricing Supplement (or, if no such number is so specified, five London Banking Days);

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

otherwise published by such authorised distributors) on the London Banking Day immediately following such London Banking Day; and

"**SONIA$_i$**" means, in respect of any London Banking Day "i":

(a) where "Lag" is specified as the Observation Method in the relevant Pricing Supplement, the SONIA reference rate in respect of the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i"; or

(b) where "Observation Shift" is specified as the Observation Method in the relevant Pricing Supplement, the SONIA reference rate in respect of the relevant London Banking Day "i".

(B) Where "Screen Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate is to be determined, and the Reference Rate is specified in the relevant Pricing Supplement as being "SONIA Index Determination", the Interest Rate for a SONIA Interest Accrual Period will, subject as provided below, be the SONIA Compounded Index Rate with respect to such SONIA Interest Accrual Period plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any).

"**SONIA Compounded Index Rate**" means, with respect to a SONIA Interest Accrual Period, the rate of return of a daily compound interest investment as calculated by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest fourth decimal place, with 0.00005 being rounded upwards):

where:

"**d**" is the number of calendar days from (and including) the day in relation to which "SONIA Compounded IndexStart" is determined to (but excluding) the day in relation to which "SONIA Compounded IndexEnd" is determined (being the number of calendar days in the applicable reference period);

"**London Banking Day**" has the meaning set out in Condition 5.3(b)(ii)(A);

"**Relevant Number**" is as specified in the relevant Pricing Supplement;

"**SONIA Compounded Index$_{End}$**" means the SONIA Compounded Index value relating to the London Banking Day falling the Relevant Number of London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other SONIA Interest Accrual Period) the date on which the relevant payment of interest falls due;

"**SONIA Compounded Index$_{Start}$**" means the SONIA Compounded Index value relating to the London Banking Day falling the Relevant Number of London Banking Days prior to the first day of the relevant SONIA Interest Accrual Period; and

"**SONIA Compounded Index**" means, with respect to any London Banking Day, the value of the SONIA Compounded Index that is provided by the

administrator of the SONIA reference rate to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) in respect of such London Banking Day.

If the relevant SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service at the Relevant Time specified in the relevant Pricing Supplement on the relevant Interest Determination Date, the SONIA Compounded Index Rate for the applicable Interest Period for which the SONIA Compounded Index is not available shall be the "Compounded Daily SONIA Formula Rate" determined in accordance with the foregoing as if the Reference Rate specified in the relevant Pricing Supplement were "Compounded Daily SONIA Formula" (and not "SONIA Index Determination"), and for these purposes: (i) the "Observation Method" shall be deemed to be "Observation Shift", and (ii) the "Observation Shift Period" shall be deemed to be equal to the Relevant Number of London Banking Days, as if those alternative elections had been made in the relevant Pricing Supplement.

(C) Where "Screen Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate is to be determined, and the Reference Rate is specified in the relevant Pricing Supplement as being "Average SONIA", the Interest Rate for a SONIA Interest Accrual Period will, subject as provided below, be the Average SONIA Rate with respect to such SONIA Interest Accrual Period plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any).

"**Average SONIA Rate**" means, with respect to a SONIA Interest Accrual Period, the arithmetic mean of the SONIA reference rate in effect during such SONIA Interest Accrual Period as calculated by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards):

$$\frac{\sum_{i=1}^{d_o} SONIA_i \times n_i}{d}$$

where "$\mathbf{d_o}$", "**i**", "**SONIA reference rate**", "$\mathbf{SONIA_i}$", "$\mathbf{n_i}$" and "**d**" have the meanings set out in Condition 5.3(b)(ii)(A).

(D) For the purposes of Conditions 5.3(b)(ii)(A) and 5.3(b)(ii)(C) above, if, in respect of any London Banking Day in the relevant Observation Period or the relevant SONIA Interest Accrual Period, as applicable, the Calculation Agent determines that the applicable SONIA reference rate has not been made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then the Calculation Agent shall determine the SONIA reference rate in respect of such London Banking Day as being:

(1) (a) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5.00 p.m. (or, if earlier, close of business) on such London Banking Day; plus (b) 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 the 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 the 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 under (1)(a) above is not available at the relevant time, 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)(a) above,

and in each case "**SONIA reference rate**" shall be interpreted accordingly.

(E) In the event that the Interest Rate cannot be determined in accordance with the foregoing provisions, the Interest Rate shall be:

(1) that determined as at the last preceding Interest Determination Date; or

(2) if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to such Series of Subordinated Debt Instruments for the first scheduled Interest Period had the Subordinated Debt Instruments been in issue for a period equal in duration to the first scheduled Interest Period but ending on (and excluding) the Interest Commencement Date.

(F) As used herein, an "**SONIA Interest Accrual Period**" means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Subordinated Debt Instruments becomes due and payable in accordance with Condition 11, shall be the date on which such Subordinated Debt Instruments become due and payable).

(G) If the relevant Series of Subordinated Debt Instruments becomes due and payable in accordance with Condition 11, the final Interest Rate shall be calculated for the SONIA Interest Accrual Period to (but excluding) the date on which the Subordinated Debt Instruments become so due and payable, and such Interest Rate shall continue to apply to the Subordinated Debt Instruments for so long as interest continues to accrue thereon as provided in Condition 5.3(a).

(iii) Screen Rate Determination for Subordinated Floating Rate Debt Instruments referencing SOFR

(A) Where "Screen Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate is to be determined, and the Reference Rate is specified in the relevant Pricing Supplement as being "SOFR Arithmetic Mean", the Interest Rate for a SOFR Interest Accrual Period will, subject as provided below, be the SOFR Arithmetic

Mean with respect to such SOFR Interest Accrual Period plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any).

"**SOFR Arithmetic Mean**" means, with respect to a SOFR Interest Accrual Period, the arithmetic mean of the SOFR rates for each day during such SOFR Interest Accrual Period as calculated by the Calculation Agent on the relevant Interest Determination Date, where the SOFR rate on the SOFR Rate Cut-Off Date shall be used for the days in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other SOFR Interest Accrual Period) the date on which the relevant payment of interest falls due.

(B) Where "Screen Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate is to be determined, and the Reference Rate is specified in the relevant Pricing Supplement as being "SOFR Delay Compound", the Interest Rate for a SOFR Interest Accrual Period will, subject as provided below, be the SOFR-DELAY-COMPOUND plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any).

"**SOFR-DELAY-COMPOUND**" means, with respect to a SOFR Interest Accrual Period, the rate of return of a daily compounded interest investment calculated by the Calculation Agent on each SOFR Interest Payment Determination Date, as follows:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i \, x \, n_i}{360}\right)-1\right] x \frac{360}{d}$$

where:

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

"**d_0**", for any SOFR Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant SOFR Interest Accrual Period;

"**i**" means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant SOFR Interest Accrual Period;

"**SOFR Interest Accrual Period End Dates**" means the dates specified in the relevant Pricing Supplement, ending on the Maturity Date or, if the Subordinated Debt Instruments are elected to be redeemed on any earlier redemption date, the redemption date;

"**SOFR Interest Payment Determination Date**" means the SOFR Interest Accrual Period End Date at the end of each SOFR Interest Accrual Period; provided that the SOFR Interest Payment Determination Date with respect to the final SOFR Interest Accrual Period will be the SOFR Rate Cut-Off Date;

"**n_i**", for any U.S. Government Securities Business Day "i" in the relevant SOFR Interest Accrual Period, is the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("i+1"); and

"**$SOFR_i$**" means, for any U.S. Government Securities Business Day "i" in the relevant SOFR Interest Accrual Period, SOFR in respect of that day "i"; provided that, for purposes of calculating compounded SOFR with respect to the final SOFR Interest Accrual Period, the level of SOFR for each U.S. Government Securities Business Day in the period from and including the SOFR Rate Cut-Off Date to, but excluding, the maturity date or any earlier redemption date, as applicable, shall be the level of SOFR in respect of such SOFR Rate Cut-Off Date.

(C) Where "Screen Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate is to be determined, and the Reference Rate is specified in the relevant Pricing Supplement as being "SOFR Index Compound", the Interest Rate for a SOFR Interest Accrual Period will, subject as provided below, be the SOFR-INDEX-COMPOUND plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any).

"**SOFR-INDEX-COMPOUND**" means, with respect to a SOFR Interest Accrual Period, the rate calculated by the Calculation Agent on each SOFR Index Determination Date, as follows:

$$\left(\frac{\text{SOFR Index}_{\text{End}}}{\text{SOFR Index}_{\text{Start}}} - 1\right) \times \left(\frac{360}{d_c}\right)$$

where:

"**d_c**" means the number of calendar days from and including the $\text{SOFR Index}_{\text{Start}}$ date to but excluding the $\text{SOFR Index}_{\text{End}}$ date;

"**p**" means in relation to any SOFR Interest Accrual Period, the number of U.S. Government Securities Business Days specified in the relevant Pricing Supplement;

"**$\text{SOFR Index}_{\text{End}}$**" means the SOFR Index value on the day which is "p" U.S. Government Securities Business Days preceding (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other SOFR Interest Accrual Period) the date on which the relevant payment of interest falls due (each, a "**SOFR Index Determination Date**"); and

"**$\text{SOFR Index}_{\text{Start}}$**" means the SOFR Index value on the day which is "p" U.S. Government Securities Business Days preceding the first date of the relevant SOFR Interest Accrual Period.

(D) Where "Screen Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate is to be determined, and the Reference Rate is specified in the relevant Pricing Supplement as being "SOFR Lockout Compound", the Interest Rate for a SOFR Interest

Accrual Period will, subject as provided below, be the SOFR-LOCKOUT-COMPOUND plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any).

"**SOFR-LOCKOUT-COMPOUND**" means, with respect to a SOFR Interest Accrual Period, the rate of return of a daily compounded interest investment calculated by the Calculation Agent on each SOFR Rate Cut-Off Date, as follows:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

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

"**d_0**", for any SOFR Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant SOFR Interest Accrual Period;

"**i**" means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant SOFR Interest Accrual Period;

"**n_i**" for any U.S. Government Securities Business Day "i" in the relevant interest period means the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("i+1");

"**$SOFR_i$**" means, for any U.S. Government Securities Business Day "i" that is a SOFR Interest Reset Date, SOFR in respect of such SOFR Interest Reset Date; provided, however, that the SOFR with respect to each SOFR Interest Reset Date in the period from and including, the SOFR Rate Cut-Off Date to, but excluding, the corresponding interest payment date of an interest period, will be the SOFR with respect to the SOFR Rate Cut-Off Date for such interest period; and

"**SOFR Interest Reset Date**" means each U.S. Government Securities Business Day in the relevant SOFR Interest Accrual Period.

(E) Where "Screen Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate is to be determined, and the Reference Rate is specified in the relevant Pricing Supplement as being "SOFR Lookback Compound", the Interest Rate for a SOFR Interest Accrual Period will, subject as provided below, be the SOFR-LOOKBACK-COMPOUND plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any).

"**SOFR-LOOKBACK-COMPOUND**" means, with respect to a SOFR Interest Accrual Period, the rate of return of a daily compounded interest investment calculated by the Calculation Agent on each SOFR Interest Determination Date, as follows:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_{i\text{-}pUSGSBD}\times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

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

"**d_0**", for any interest period, means the number of U.S. Government Securities Business Days in the relevant SOFR Interest Accrual Period;

"**i**" means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant SOFR Interest Accrual Period;

"**SOFR Interest Determination Date**" means, the date "p" U.S. Government Securities Business Days before (A) (in the case of each Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other SOFR Interest Accrual Period) the date on which the relevant payment of interest falls due;

"**n_i**" for any U.S. Government Securities Business Day "i" in the relevant SOFR Interest Accrual Period means the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("i+1");

"**p**" means the number of U.S. Government Securities Business Days specified in the relevant Pricing Supplement; and

"**$SOFR_{i\text{-}pUSGSBD}$**" means, for any U.S. Government Securities Business Day "i" in the relevant SOFR Interest Accrual Period, the SOFR in respect of the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to that day "i".

(F) Where "Screen Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate is to be determined, and the Reference Rate is specified in the relevant Pricing Supplement as being "SOFR Shift Compound", the Interest Rate for a SOFR Interest Accrual Period will, subject as provided below, be the SOFR-SHIFT-COMPOUND plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any).

"**SOFR-SHIFT-COMPOUND**" means, with respect to a SOFR Interest Accrual Period, the rate of return of a daily compounded interest investment calculated by the Calculation Agent on each SOFR Interest Determination Date, as follows:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i\times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

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

"**d_0**", for any Observation Period, means the number of U.S. Government Securities Business Days in the relevant Observation Period;

"**i**" means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Observation Period;

"**SOFR Interest Determination Date**" means, the date "p" U.S. Government Securities Business Days before (A) (in the case of each Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other SOFR Interest Accrual Period) the date on which the relevant payment of interest falls due;

"**n_i**" for any U.S. Government Securities Business Day "i" in the relevant Observation Period means the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("i+1");

"**$SOFR_i$**" means, for any U.S. Government Securities Business Day "i" in the relevant Observation Period, SOFR in respect of that day "i";

"**Observation Period**" means, the period from, and including, the date "p" U.S. Government Securities Business Days preceding the first date in each SOFR Interest Accrual Period to, but excluding, the date "p" U.S. Government Securities Business Days preceding (A) (in the case of each Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other SOFR Interest Accrual Period) the date on which the relevant payment of interest falls due; and

"**p**" means the number of U.S. Government Securities Business Days specified in the relevant Pricing Supplement.

(G) Notwithstanding any other provisions in these Conditions, if: (i) the Benchmark is SOFR or SOFR Index; and (ii) any Interest Rate (or any component part thereof) remains to be determined by reference to the Benchmark, then the following provisions of this Condition 5.3(b)(iii)(G) shall apply, subject to the prior written approval of APRA:

(1) If the Determining Person, after consulting with the Issuer, determines 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 Subordinated Debt Instruments in respect of all determinations on such date and for all determinations on all subsequent dates.

(2) In connection with the implementation of a Benchmark Replacement, the Determining Person, after consulting with the Issuer, will have the right to make Benchmark Replacement Conforming Changes from time to time.

(3) If a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, any determination, decision or election that may be made by the Determining Person, after consulting with the Issuer, 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: (i) will be conclusive and binding absent manifest error; (ii) will be made by the Determining Person, in its sole discretion; and (iii) notwithstanding anything to the contrary in the documentation relating to the Subordinated Debt Instruments, shall become effective without consent from the Subordinated Debt Instrument Holders or any other party.

Subordinated Debt Instrument Holders should note that APRA's approval may not be given for any Benchmark Replacement, Benchmark Replacement Adjustment, Benchmark Replacement Conforming Changes it considers to have the effect of increasing the Interest Rate contrary to applicable prudential standards.

For the purposes of this Condition 5.3(b)(iii):

"**Benchmark**" means, initially, SOFR or SOFR Index, as applicable; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR or SOFR Index, as applicable, or the then current Benchmark, then "Benchmark" means the applicable Benchmark Replacement.

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Determining Person, after consulting with the Issuer, of the Benchmark Replacement Date:

(a) the sum of: (i) 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 (ii) the Benchmark Replacement Adjustment; or

(b) the sum of: (i) the alternate rate of interest that has been selected by the Determining Person, after consulting with the Issuer, 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 (ii) the Benchmark Replacement Adjustment.

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Determining Person, after consulting with the Issuer, as of the Benchmark Replacement Date:

(a) 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; or

(b) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Determining Person, after consulting with the Issuer, 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 interest period, timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters (including changes to the fallback provisions)) that the Determining Person, after consulting with the Issuer, decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Determining Person, after consulting with the Issuer, decides that adoption of any portion of such market practice is not administratively feasible or if the Determining Person, after consulting with the Issuer, determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Determining Person, after consulting with the Issuer, 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):

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event", the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(b) in the case of clause (c) 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 giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

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

(a) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), 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);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark,

which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) 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); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

"**Determining Person**" means the Issuer, an affiliate of the Issuer, an alternative calculation agent (other than the Calculation Agent) or an independent financial institution appointed by the Issuer.

"**Reference Time**" with respect to any determination of the Benchmark means (i) if the Benchmark is SOFR or SOFR Index, the relevant SOFR Determination Time, and (ii) if the Benchmark is neither SOFR nor SOFR Index, the time determined by the Determining Person, after consulting with the Issuer, after giving effect to the Benchmark Replacement Conforming Changes.

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

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

(a) the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day as published by the New York Federal Reserve, as the administrator of such rate (or a successor administrator), on the New York Federal Reserve's Website (or such successor administrator's website) on or about 3:00 p.m., New York City time, on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or

(b) if the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day does not appear as specified in clause (a) above, unless both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the Secured Overnight Financing Rate in respect of the first preceding U.S. Government Securities Business Day for which such rate was published on the New York Federal Reserve's Website (or such successor administrator's website); or

(c) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the Benchmark Replacement.

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

(a) the value as published by the New York Federal Reserve, as the administrator of such index (or a successor administrator), on the New York Federal Reserve's Website (or such successor administrator's website) on or about 3:00 p.m., New York City time, on such U.S. Government Securities Business Day; or

(b) if such value in respect of such U.S. Government Securities Business Day does not appear as specified in clause (a) above, unless both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, SOFR-INDEX-COMPOUND shall be the rate determined pursuant to the SOFR Index Unavailable Provision; or

(c) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the Benchmark Replacement.

"**SOFR Index Unavailable Provision**" means if a SOFR $\text{Index}_{\text{Start}}$ or SOFR $\text{Index}_{\text{End}}$ is not published on the associated SOFR Index Determination Date and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to SOFR Index, SOFR-INDEX-COMPOUND means, for the applicable interest period for which SOFR Index is not available, the rate of return on a daily compounded interest investment calculated in accordance with the formula for "SOFR Averages", and definitions required for such formula, published on the New York Federal Reserve's Website. For the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to "calculation period" shall be replaced with "Observation Period" and the words "that is, 30-, 90- , or 180- calendar days" shall be removed. If the daily SOFR ("**SOFR_i**") does not so appear for any day, "i" in the Observation Period, SOFR_i for such day "i" shall be SOFR published in respect of the first preceding U.S. Government Securities Business Day for which SOFR was published on the New York Federal Reserve's Website.

"**SOFR Interest Accrual Period**" means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Subordinated Debt Instruments becomes due and payable in accordance with Condition 11, shall be the date on which such Subordinated Debt Instruments become due and payable).

"**SOFR Rate Cut-Off Date**" means the date that is the second U.S. Government Securities Business Day prior (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period, or (B) (in the case of any other SOFR Interest Accrual Period) the date on which the relevant payment of interest falls due, or such other date specified in the relevant Pricing Supplement.

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

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a 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.

(iv) Benchmark Rate Determination for Subordinated Floating Rate Debt Instruments

(A) Where "BBSW Rate Determination" or "AONIA Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate is to be determined for each Interest Period, the Interest Rate applicable to the Subordinated Floating Rate Debt Instruments for each such Interest Period is the sum of the Margin and either (x) the BBSW Rate or (y) the AONIA Rate as specified in the relevant Pricing Supplement.

(B) Each Subordinated Debt Instrument Holder shall be deemed to acknowledge, accept and agree to be bound by, and consents to, the determination of, substitution for and any adjustments made to the BBSW Rate or the AONIA Rate, as applicable, in each case as described in this Condition 5.3(b)(iv) (in all cases without the need for any Subordinated Debt Instrument Holder consent). Any determination, decision or election (including a decision to take or refrain from taking any action or as to the occurrence or non-occurrence of any event or circumstance), and any substitution for and adjustments made to, the BBSW Rate or the AONIA Rate, as applicable, and in each case made in accordance with this Condition 5.3(b)(iv), will, in the absence of manifest or proven error, be conclusive and binding on the Issuer, the relevant Subordinated Debt Instrument Holder and each Agent and, notwithstanding anything to the contrary in these Conditions or other documentation relating to the Subordinated Debt Instruments, shall become effective without the consent of any person.

(C) If the Calculation Agent is unwilling or unable to determine a necessary rate, adjustment, quantum, formula, methodology or other variable in order to calculate the applicable Interest Rate, such rate, adjustment, quantum, formula, methodology or other variable will be determined by the Issuer (acting in good faith and in a commercially reasonable manner) or, an alternate financial institution (acting in good faith and in a commercially reasonable manner) appointed by the Issuer (in its sole discretion) to so determine.

(D) All rates determined pursuant to this Condition 5.3(b)(iv) shall be expressed as a percentage rate per annum and the resulting percentage will be rounded if necessary to the fourth decimal place (i.e., to the nearest one ten-thousandth of a percentage point) with 0.00005 being rounded upwards.

(E) If:

(1) a Temporary Disruption Trigger has occurred; or

(2) a Permanent Discontinuation Trigger has occurred,

then (subject, in the case of a Permanent Discontinuation Trigger only, to APRA's prior written approval) the Benchmark Rate for an Interest Period, whilst such Temporary Disruption Trigger is continuing or after a Permanent Discontinuation Trigger has occurred, means (in the following order of application and precedence):

(i) where BBSW Rate is the Applicable Benchmark Rate, if a Temporary Disruption Trigger has occurred with respect to the BBSW Rate, in the following order of precedence:

(1) first, the Administrator Recommended Rate;

(2) then, the Supervisor Recommended Rate; and

(3) lastly, the Final Fallback Rate;

(ii) where the AONIA Rate is the Applicable Benchmark Rate or a determination of the AONIA Rate is required for the purposes of paragraph (i) above, if a Temporary Disruption Trigger has

occurred with respect to AONIA, the rate for any day for which AONIA is required will be the last provided or published level of AONIA;

(iii) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (i) or (ii) above, if a Temporary Disruption Trigger has occurred with respect to the RBA Recommended Rate, the rate for any day for which the RBA Recommended Rate is required will be the last rate provided or published by the Administrator of the RBA Recommended Rate (or if no such rate has been so provided or published, the last provided or published level of AONIA);

(iv) where BBSW Rate is the Applicable Benchmark Rate, if a Permanent Discontinuation Trigger has occurred with respect to the BBSW Rate, the rate for any day for which the BBSW Rate is required on or after the Permanent Fallback Effective Date will be the first rate available in the following order of precedence:

(1) first, if at the time of the BBSW Rate Permanent Fallback Effective Date, no AONIA Permanent Fallback Effective Date has occurred, the AONIA Rate;

(2) then, if at the time of the BBSW Rate Permanent Fallback Effective Date, an AONIA Permanent Fallback Effective Date has occurred, an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Fallback Rate; and

(3) lastly, if neither paragraph (1) nor paragraph (2) above apply, the Final Fallback Rate;

(v) where the AONIA Rate is the Applicable Benchmark Rate or a determination of the AONIA Rate is required for the purposes of paragraph (iv)(A) above, if a Permanent Discontinuation Trigger has occurred with respect to AONIA, the rate for any day for which AONIA is required on or after the AONIA Permanent Fallback Effective Date will be the first rate available in the following order of precedence:

(1) first, if at the time of the AONIA Permanent Fallback Effective Date, an RBA Recommended Rate has been created but no RBA Recommended Rate Permanent Fallback Effective Date has occurred, the RBA Recommended Rate; and

(2) lastly, if paragraph (1) above does not apply, the Final Fallback Rate; and

(vi) where a determination of the RBA Recommended Rate is required for the purposes of paragraph (iv) or (v) above, respectively, if a Permanent Discontinuation Trigger has occurred with respect to the RBA Recommended Rate, the rate for any day for which the RBA

Recommended Rate is required on or after that Permanent Fallback Effective Date will be the Final Fallback Rate.

When calculating an amount of interest in circumstances where a Fallback Rate other than the Final Fallback Rate applies, that interest will be calculated as if references to the BBSW Rate or AONIA Rate (as applicable) were references to that Fallback Rate. When calculating interest in circumstances where the Final Fallback Rate applies, the amount of interest will be calculated on the same basis as if the Applicable Benchmark Rate in effect immediately prior to the application of that Final Fallback Rate remained in effect but with necessary adjustments to substitute all references to that Applicable Benchmark Rate with corresponding references to the Final Fallback Rate.

Subordinated Debt Instrument Holders should note that APRA's approval may not be given for any Fallback Rate it considers to have the effect of increasing the Interest Rate contrary to applicable prudential standards.

For the purposes of Condition 5.3(b)(iv):

"**Adjustment Spread**" means the adjustment spread as at the Adjustment Spread Fixing Date (which may be a positive or negative value or zero and determined pursuant to a formula or methodology) that is:

(a) determined as the median of the historical differences between the BBSW Rate and AONIA over a five calendar year period prior to the Adjustment Spread Fixing Date using practices based on those used for the determination of the Bloomberg Adjustment Spread as at 1 December 2022, provided that for so long as the Bloomberg Adjustment Spread is published and determined based on the five year median of the historical differences between the BBSW Rate and AONIA, that adjustment spread will be deemed to be acceptable for the purposes of this paragraph (a); or

(b) if no such median can be determined in accordance with paragraph (a), set using the method for calculating or determining such adjustment spread determined by the Calculation Agent (after consultation with the Issuer where practicable) to be appropriate.

"**Adjustment Spread Fixing Date**" means the first date on which a Permanent Discontinuation Trigger occurs with respect to the BBSW Rate.

"**Administrator**" means:

(a) in respect of the BBSW Rate, ASX Benchmarks Pty Limited (ABN 38 616 075 417);

(b) in respect of AONIA (or where AONIA is used to determine an Applicable Benchmark Rate), the Reserve Bank of Australia; and

(c) in respect of any other Applicable Benchmark Rate, the administrator for that rate or benchmark or, if there is no administrator, the provider of that rate or benchmark,

and, in each case, any successor administrator or, as applicable, any successor administrator or provider.

"**Administrator Recommended Rate**" means the rate formally recommended for use as the temporary replacement for the BBSW Rate by the Administrator of the BBSW Rate.

"**AONIA**" means the Australian dollar interbank overnight cash rate (known as AONIA).

"**AONIA Rate**" means, for an Interest Period and in respect of an Interest Determination Date, the rate determined by the Calculation Agent to be Compounded Daily AONIA for that Interest Period and Interest Determination Date plus, if determining the AONIA Rate for the purposes of a fallback from the BBSW Rate, the Adjustment Spread.

"**Applicable Benchmark Rate**" means the Benchmark Rate specified in the relevant Pricing Supplement and, if a Permanent Fallback Effective Date has occurred with respect to the BBSW Rate, AONIA or the RBA Recommended Rate, then the rate determined in accordance with Condition 5.3(b)(iv)(c)(E).

"**BBSW Rate**" means, for an Interest Period, the rate for prime bank eligible securities having a tenor closest to the Interest Period which is designated as the "AVG MID" on the 'Refinitiv Screen ASX29 Page' or the 'Bloomberg Screen BBSW Page' (or any designation which replaces that designation on the applicable page, or any replacement page) at the Publication Time on the first Business Day of that Interest Period.

"**Benchmark Rate**" means, in respect of a Subordinated Debt Instrument, for an Interest Period, either the BBSW Rate or the AONIA Rate as specified in the relevant Pricing Supplement.

"**Bloomberg Adjustment Spread**" means the term adjusted AONIA spread relating to the BBSW Rate provided by Bloomberg Index Services Limited (or a successor provider as approved and/or appointed by ISDA from time to time as the provider of term adjusted AONIA and the spread) ("BISL") on the Fallback Rate (AONIA) Screen (or by other means), or provided to, and published by, authorised distributors where Fallback Rate (AONIA) Screen means the Bloomberg Screen corresponding to the Bloomberg ticker for the fallback for the BBSW Rate accessed via the Bloomberg Screen <FBAK> <GO> Page (or, if applicable, accessed via the Bloomberg Screen <HP> <GO>) or any other published source designated by BISL.

"**Compounded Daily AONIA**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment as calculated by the Calculation Agent on the Interest Determination Date, as follows:

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{AONIA_{i-5\ SBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

$\boldsymbol{AONIA_{i-5SBD}}$ means the per annum rate expressed as a decimal which is the level of AONIA provided by the Administrator and published as of the Publication Time for the Sydney Business Day falling five Sydney Business Days prior to such Sydney Business Day "i";

$\boldsymbol{d}$ is the number of calendar days in the relevant Interest Period;

$\boldsymbol{d_0}$ is the number of Sydney Business Days in the relevant Interest Period;

$\boldsymbol{i}$ is a series of whole numbers from 1 to $\boldsymbol{d_0}$, each representing the relevant Sydney Business Day in chronological order from (and including) the first Sydney Business Day in the relevant Interest Period to (and including) the last Sydney Business Day in such Interest Period;

$\boldsymbol{n_i}$ for any Sydney Business Day "*i*", means the number of calendar days from (and including) such Sydney Business Day "*i*" up to (but excluding) the following Sydney Business Day; and

Sydney Business Day or $\boldsymbol{SBD}$ means any day on which commercial banks are open for general business in Sydney.

If, for any reason, Compounded Daily AONIA needs to be determined for a period other than an Interest Period, Compounded Daily AONIA is to be determined as if that period were an Interest Period starting on (and including) the first day of that period and ending on (but excluding) the last day of that period.

"**Fallback Rate**" means, where a Permanent Discontinuation Trigger for an Applicable Benchmark Rate has occurred, the rate that applies to replace that Applicable Benchmark Rate in accordance with Condition (c)(E).

"**Final Fallback Rate**" means, in respect of an Applicable Benchmark Rate, the rate:

(a) determined by the Calculation Agent as a commercially reasonable alternative for the Applicable Benchmark Rate taking into account all available information that, in good faith, it considers relevant, provided that any rate (inclusive of any spreads or adjustments) implemented by central counterparties and / or futures exchanges with representative trade volumes in derivatives or futures referencing the Applicable Benchmark Rate will be deemed to be acceptable for the purposes of this paragraph (a), together with (without double counting) such adjustment spread (which may be a positive or negative value or zero) that is customarily applied to the relevant successor rate or alternative rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for Benchmark Rate-linked floating rate notes at such time (together with such other adjustments to the Business Day Convention, interest determination dates and related provisions and definitions, in each case that are consistent with accepted market practice for the use of such successor rate or alternative rate for Benchmark Rate-linked floating rate notes at such time), or, if no such industry standard is recognised or acknowledged, the method for calculating or determining such adjustment spread determined by the Calculation Agent (in consultation with the Issuer) to be appropriate; provided that

(b) if and for so long as no such successor rate or alternative rate can be determined in accordance with paragraph (a), the Final Fallback Rate will be the last provided or published level of that Applicable Benchmark Rate.

"**Interest Determination Date**" means, in respect of an Interest Period:

(a) where the BBSW Rate applies or the Final Fallback Rate applies under paragraph 5.3(b)(iv)(E)(iv)(3), the first day of that Interest Period; and

(b) otherwise, the fifth Business Day prior to the last day of that Interest Period;

"**Non-Representative**" means, in respect of an Applicable Benchmark Rate, that the Supervisor of that Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the AONIA Rate or the RBA Recommended Rate:

(a) has determined that such Applicable Benchmark Rate is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Applicable Benchmark Rate is intended to measure and that representativeness will not be restored; and

(b) is aware that such determination will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such Supervisor (howsoever described) in contracts.

"**Permanent Discontinuation Trigger**" means, in respect of an Applicable Benchmark Rate:

(a) a public statement or publication of information by or on behalf of the Administrator of the Applicable Benchmark Rate announcing that it has ceased or that it will cease to provide the Applicable Benchmark Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator or provider, as applicable, that will continue to provide the Applicable Benchmark Rate and, in the case of the BBSW Rate, a public statement or publication of information by or on behalf of the Supervisor of the BBSW Rate has confirmed that cessation;

(b) a public statement or publication of information by the Supervisor of the Applicable Benchmark Rate, the Reserve Bank of Australia (or any successor central bank for Australian dollars), an insolvency official or resolution authority with jurisdiction over the Administrator of the Applicable Benchmark Rate or a court or an entity with similar insolvency or resolution authority over the Administrator of the Applicable Benchmark Rate which states that the Administrator of the Applicable Benchmark Rate has ceased or will cease to provide the Applicable Benchmark Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator or provider that will continue to provide the Applicable Benchmark Rate and, in the case of the BBSW Rate and a public statement or publication of information other than by the Supervisor, a public statement or publication of information by or on behalf of the Supervisor of the BBSW Rate has confirmed that cessation;

(c) a public statement by the Supervisor of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the AONIA Rate or the RBA Recommended Rate, as a consequence of which the Applicable Benchmark Rate will be prohibited from being used either generally, or in respect of the Subordinated Debt Instruments, or that its use will be subject to restrictions or adverse consequences to the Issuer or a Subordinated Debt Instrument Holder;

(d) as a consequence of a change in law or directive arising after the Issue Date of the first Tranche of Subordinated Debt Instruments of a Series, it has become unlawful for the Calculation Agent, the Issuer or any other party responsible for calculations of interest under the Conditions to calculate any payments due to be made to any Subordinated Debt Instrument Holder using the Applicable Benchmark Rate;

(e) a public statement or publication of information by the Supervisor of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the BBSW Rate, or the Administrator of the Applicable Benchmark Rate if the Applicable Benchmark Rate is the AONIA Rate or the RBA Recommended Rate, stating that the Applicable Benchmark Rate is Non-Representative; or

(f) the Applicable Benchmark Rate has otherwise ceased to exist or be administered on a permanent or indefinite basis.

"**Permanent Fallback Effective Date**" means, in respect of a Permanent Discontinuation Trigger for an Applicable Benchmark Rate:

(a) in the case of paragraphs (a) and (b) of the definition of "Permanent Discontinuation Trigger", the first date on which the Applicable Benchmark Rate would ordinarily have been published or provided and is no longer published or provided;

(b) in the case of paragraphs (c) and (d) of the definition of "Permanent Discontinuation Trigger", the date from which use of the Applicable Benchmark Rate is prohibited or becomes subject to restrictions or adverse consequences or the calculation becomes unlawful (as applicable);

(c) in the case of paragraph (e) of the definition of "Permanent Discontinuation Trigger", the first date on which the Applicable Benchmark Rate would ordinarily have been published or provided but is Non-Representative by reference to the most recent statement or publication contemplated in that paragraph and even if such Applicable Benchmark Rates continues to be published or provided on such date; or

(d) in the case of paragraph (f) of the definition of "Permanent Discontinuation Trigger", the date that event occurs.

"**Publication Time**" means:

(a) in respect of the BBSW Rate, 12.00noon (Sydney time) or any amended publication time for the final intraday refix of such rate specified by the Administrator for the BBSW Rate in its benchmark methodology; and

(b) in respect of AONIA, 4.00pm (Sydney time) or any amended publication time for the final intraday refix of such rate specified by the Administrator for AONIA in its benchmark methodology.

"**RBA Recommended Fallback Rate**" has the same meaning given to AONIA Rate but with necessary adjustments to substitute all references to AONIA with corresponding references to the RBA Recommended Rate.

"**RBA Recommended Rate**" means, in respect of any relevant day (including any day "i"), the rate (inclusive of any spreads or adjustments) recommended as the

replacement for AONIA by the Reserve Bank of Australia (which rate may be produced by the Reserve Bank of Australia or another administrator) and as provided by the Administrator of that rate or, if that rate is not provided by the Administrator thereof, published by an authorised distributor in respect of that day.

"**Supervisor**" means, in respect of an Applicable Benchmark Rate, the supervisor or competent authority that is responsible for supervising that Applicable Benchmark Rate or the Administrator of that Applicable Benchmark Rate, or any committee officially endorsed or convened by any such supervisor or competent authority that is responsible for supervising that Applicable Benchmark Rate or the Administrator of that Applicable Benchmark Rate.

"**Supervisor Recommended Rate**" means the rate formally recommended for use as the temporary replacement for the BBSW Rate by the Supervisor of the BBSW Rate.

"**Temporary Disruption Trigger**" means, in respect of any Applicable Benchmark Rate which is required for any determination:

(a) the Applicable Benchmark Rate has not been published by the applicable Administrator or an authorised distributor and is not otherwise provided by the Administrator, in respect of, on, for or by the time and date on which that Applicable Benchmark Rate is required; or

(b) the Applicable Benchmark Rate is published or provided but the Calculation Agent determines that there is an obvious or proven error in that rate.

(v) BKBM Determination for Subordinated Floating Rate Debt Instruments

Where "BKBM Determination" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will, subject as provided below, be the "Bank Bill Benchmark Rate (FRA)" (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) administered by the New Zealand Financial Benchmark Facility (NZFBF) (or any other person that takes over the administration of that rate), having a tenor closest to the relevant Interest Period (the "BKBM Rate"), as set forth on the display page designated on the BKBM Page at or about the BKBM Publication Time in the Relevant Financial Centre on the Interest Determination Date in question plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any), all as determined by the Determining Person.

If the BKBM Page is not available, or if the BKBM Rate does not appear on the BKBM Page by 11.00 a.m. in the Relevant Financial Centre (or such other time that is 15 minutes after the then prevailing BKBM Publication Time in the Relevant Financial Centre), then the Interest Rate shall be the equivalent rate provided by the NZFBF (or any person that takes over the administration of that rate) (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) at or around 11.00 a.m. in the Relevant Financial Centre (or such other time that is 15 minutes after the then prevailing BKBM Publication Time in the Relevant Financial Centre) on the Interest Determination Date in question plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any) as determined by the Issuer. Any such Interest Rate shall be notified to the Calculation Agent by the Issuer as soon as practicable after its determination.

If the Issuer does not notify the Calculation Agent of the Interest Rate in accordance with the preceding paragraph, the Interest Rate shall be that determined by the Determining Person as at the last preceding Interest Determination Date.

In this Condition 5.3(b)(v):

"**BKBM Page**" means Bloomberg BKBM Page "GDCO 2805 1", or such other page as may replace such page for the purpose of displaying the New Zealand Bank Bill Benchmark Rate;

"**BKBM Publication Time**" means 10.45 a.m. (or such other time at which the BKBM Rate customarily appears on the BKBM Page);

"**Determining Person**" means the Issuer, an affiliate of the Issuer, an alternative calculation agent (other than the Calculation Agent) or an independent financial institution appointed by the Issuer.

"**Interest Determination Date**" shall mean the date specified as such in the relevant Pricing Supplement or if none is so specified, the first day of each Interest Period.

(c) Fallback Interest Rate

(i) Notwithstanding any other provision, except in the case where "BBSW Rate Determination" or "AONIA Rate Determination" is specified in the relevant Pricing Supplement as the manner in which the Interest Rate is to be determined, if the Issuer (acting in good faith and in a commercially reasonable manner) determines that a Benchmark Disruption Event has occurred when any Interest Rate calculated in accordance with Condition 5.3(b)(i) (or the relevant component part thereof) remains to be determined by reference to such Reference Rate affected by the Benchmark Disruption Event, then, subject to the prior written approval of APRA, the following provisions shall apply:

(A) if there is a Successor Rate, then the Calculation Agent shall use such Successor Rate in place of the Reference Rate;

(B) if there is no Successor Rate, but an Alternative Rate has been determined, the Calculation Agent shall use such Alternative Rate in place of the Reference Rate; and

(C) the Calculation Agent may:

(1) in respect of a Successor Rate only, where an Adjustment Spread is formally recommended, or provided as an option for parties to adopt (which, in each case, the Independent Adviser or the Issuer (as the case may be), acting in good faith and in a commercially reasonable manner and by reference to sources as it deems appropriate, has determined is required to be adopted to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Subordinated Debt Instrument Holders as a result of the replacement of the Reference Rate with the Successor Rate) by any Relevant Nominating Body and such Adjustment Spread has been notified to the Calculation Agent, apply such Adjustment Spread to the Successor Rate for each subsequent determination of a relevant

Interest Rate (or a component part thereof) by reference to such Successor Rate; or

(2) in respect of a Successor Rate, where no such Adjustment Spread is formally recommended or provided as an option by any Relevant Nominating Body or, in respect of an Alternative Rate, the Independent Adviser or the Issuer (as the case may be), acting in good faith and in a commercially reasonable manner and by reference to such source as it deems appropriate, determines that there is an Adjustment Spread in customary market usage in the international debt capital markets for transactions which reference the Reference Rate, where such Reference Rate has been replaced by the Successor Rate or Alternative Rate (as the case may be), in accordance with the Issuer's written instructions, apply such Adjustment Spread to the Successor Rate or Alternative Rate (as the case may be) for each subsequent determination of a relevant Interest Rate (or a component part thereof) by reference to such Successor Rate or Alternative Rate; and

(D) the Independent Adviser or the Issuer (as the case may be) may determine (acting in good faith and in a commercially reasonable manner) in its sole discretion, after consulting any source it deems reasonable, the Business Day Convention, the definitions of Business Day, Day Count Fraction, Relevant Screen Page, Relevant Time, Reference Rate and Interest Determination Date and any other relevant methodology for calculating such Successor Rate or Alternative Rate, including any adjustment factor it determines is needed to make such Successor Rate or Alternative Rate comparable to the relevant Reference Rate, in a manner that is consistent with industry-accepted practices for such Successor Rate or Alternative Rate and shall notify the Calculation Agent of such determination.

(ii) Unless otherwise specified in the relevant Pricing Supplement, if:

(A) the Calculation Agent is unable to determine a rate (or, as the case may be, the arithmetic mean of rates); or

(B) the Calculation Agent is unable to use a Successor Rate; or

(C) the Independent Adviser or the Issuer is unable to (or in the case of the Issuer, elects not to) determine the Alternative Rate,

in each case, in accordance with the above provisions, the Interest Rate applicable to the Subordinated Debt Instruments during the next succeeding Interest Period will be the Interest Rate applicable to the Subordinated Debt Instruments during the immediately preceding Interest Period. For the avoidance of doubt, this Condition 5.3(c)(ii) shall apply to the next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in Condition 5.3.

(iii) The Issuer may make the necessary modifications to these Conditions to give effect to this Condition 5.3(c) without any requirement for the consent or approval of the Subordinated Debt Instrument Holders or Couponholders (if any) (a "**Benchmark Amendment**").

For the avoidance of doubt and notwithstanding any other provision of this Condition 5.3, in determining any adjustment factor or other relevant methodology for the purposes of Condition 5.3(c)(i), the Issuer shall not and shall not be obliged to apply and may discount any adjustment factor or methodology the application of which may constitute it an administrator for the purposes of Regulation (EU) 2016/1011.

Subordinated Debt Instrument Holders should note that APRA's approval may not be given for any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendment it considers to have the effect of increasing the Interest Rate contrary to applicable prudential standards.

For the purposes of this Condition 5.3(c):

"**Adjustment Spread**" means either a spread, or the formula or methodology for calculating a spread and the spread resulting from such calculation, which spread may in either case be positive, negative or zero and is to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Subordinated Debt Instrument Holders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Rate (as the case may be).

"**Alternative Rate**" means an alternative rate for the relevant Interest Period which has been:

(a) determined at the request of the Issuer by the Independent Adviser (acting in good faith and in a commercially reasonable manner) in its sole discretion; or

(b) if the Issuer is unable to appoint an Independent Adviser, then, if it elects to do so, determined by the Issuer (acting in good faith and in a commercially reasonable manner) in its sole discretion,

in each case, after consulting such sources the Independent Adviser or the Issuer (as the case may be) deems reasonable, to be:

(i) the most comparable alternative rate to the relevant Reference Rate; and

(ii) used in place of the Reference Rate in customary market usage in the international debt capital markets,

and which has been notified to the Calculation Agent by the Issuer.

"**Benchmark Disruption Event**" means:

(a) the relevant Reference Rate specified in the Pricing Supplement has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(b) the Issuer determines after consulting with the Independent Adviser (if so appointed) that, a change in the generally accepted market practice in the international debt capital markets to refer to a Reference Rate is endorsed in a public statement or publication of information by a Relevant Nominating Body despite the continued existence of the applicable Reference Rate.

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser with appropriate expertise in the international debt capital markets, in each case appointed by the Issuer at its own expense.

"**Relevant Nominating Body**" means, in respect of a Reference Rate:

(a) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for administering or supervising the administrator of the Reference Rate; or

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

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

(d) Rounding

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

(e) Determination of the Interest Rate and calculation of Interest Amount payable

The Calculation Agent will, as soon as practicable on or after determining the Interest Rate in relation to each Interest Period, calculate the amount of interest payable for the relevant Interest Period (or other Interest Accrual Period) in respect of the nominal amount of each denomination of such Subordinated Debt Instruments. The amount of interest payable will be calculated by multiplying the product of the Interest Rate for such Interest Period and the outstanding nominal amount by the applicable Day Count Fraction and rounding the resultant figure to the nearest unit of the currency in which the relevant Subordinated Debt Instruments are denominated or, as the case may be, in which such interest is payable (an amount equal to or above one half of any such unit being rounded upwards).

5.4 Interest – other rates

Subordinated Debt Instruments in relation to which this Condition 5.4 is specified in the relevant Pricing Supplement as being applicable, will bear interest at the rate or rates calculated on the basis specified in, and be payable in the amounts and in the manner determined in accordance with, the relevant Pricing Supplement.

5.5 Interest – supplemental provisions

(a) Interest Payment Dates and Interest Periods

Interest on each Subordinated Debt Instrument will be payable in arrear at such intervals and on such dates as are specified in the relevant Pricing Supplement and at the Maturity Date of such Subordinated Debt Instrument (each an "**Interest Payment Date**"). The period beginning on (and including) the Issue Date of a Subordinated Debt Instrument (or other date specified in the relevant Pricing Supplement as the Interest Commencement Date) and ending

on (but excluding) the first Interest Payment Date, and each period thereafter from (and including) an Interest Payment Date to (but excluding) the next following Interest Payment Date, is referred to in these Conditions as an "**Interest Period**". Where Subordinated Debt Instruments are listed on a stock exchange, the I&P Agent (or, in the case of the Australian Domestic Notes, the Issuer) must notify the relevant listing authority of each Interest Period to the extent required by, and in accordance with the rules of, the relevant listing authority.

(b) Notification of Interest Rate, interest payable and other items

Except where the Reference Rate is specified in the relevant Pricing Supplement as being "Compounded Daily SONIA", "SONIA Index Determination", "Average SONIA", "SOFR Arithmetic Mean", "SOFR Delay Compound", "SOFR Index Compound", "SOFR Lockout Compound", "SOFR Lookback Compound" or "SOFR Shift Compound", the Calculation Agent will cause each Interest Rate, the amount of interest payable, (in respect of Condition 5.3(c)) the fallback interest rate or any relevant adjustments and each other amount, item or date, as the case may be, determined or calculated by it to be notified to the Issuer and, in the case of Subordinated Bearer Debt Instruments, the I&P Agent or, in the case of Subordinated Registered Debt Instruments, the relevant Registrar, or where Subordinated Debt Instruments are listed on a stock exchange, the relevant listing authority (to the extent required by, and in accordance with the rules of, the relevant listing authority) and to be notified to Subordinated Debt Instrument Holders in accordance with Condition 19 as soon as practicable after such determination or calculation but in any event not later than the fourth Banking Day in the Relevant Financial Centre thereafter. The Calculation Agent will be entitled to amend any such amount, item or date (or to make appropriate alternative arrangements by way of adjustment) without prior notice in the event of the extension or abbreviation of any relevant Interest Period or calculation period and such amendment will be notified in accordance with the previous sentence.

Where the Reference Rate is specified in the relevant Pricing Supplement as being "Compounded Daily SONIA", "SONIA Index Determination", "Average SONIA", "SOFR Arithmetic Mean", "SOFR Delay Compound", "SOFR Index Compound", "SOFR Lockout Compound", "SOFR Lookback Compound" or "SOFR Shift Compound", the Calculation Agent, will cause the Interest Rate and each Interest Amount for each SONIA Interest Accrual Period or SOFR Interest Accrual Period (as applicable) and the relevant Interest Payment Date to be notified to (i) the Issuer, and (ii) to any Relevant Securities Exchange, in each case, to be published in accordance with Condition 19 as soon as possible after their determination but in no event later than the second (a) (where the Reference Rate is specified in the relevant Pricing Supplement as being "Compounded Daily SONIA", "SONIA Index Determination" or "Average SONIA") London Banking Day (as defined in Condition 5.3(b)(ii) above); or (b) (where the Reference Rate is specified in the relevant Pricing Supplement as being "SOFR Arithmetic Mean", "SOFR Delay Compound", "SOFR Index Compound", "SOFR Lockout Compound", "SOFR Lookback Compound" or "SOFR Shift Compound") U.S. Government Securities Business Day (as defined in Condition 5.3(b)(iii) above), thereafter. Each Interest Rate, Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the relevant SONIA Interest Accrual Period or SOFR Interest Accrual Period (as applicable). Any such amendment or alternative arrangements will promptly be notified by the Calculation Agent to the Issuer and to any Relevant Securities Exchange and to the Subordinated Debt Instrument Holders in accordance with Condition 19.

(c) Determination final

The determination by the Calculation Agent of all amounts, items and dates falling to be determined by it pursuant to these Conditions (including, without limitation, the Interest Rate for any Interest Period and the amount of interest payable for any Interest Period in respect of any Subordinated Debt Instrument) shall, in the absence of manifest error, be final and binding on all parties.

(d) Accrual of interest

Interest shall accrue on the outstanding nominal amount of each Subordinated Debt Instrument or as otherwise specified in the relevant Pricing Supplement. Interest will cease to accrue as from the due date for redemption of a Subordinated Debt Instrument unless (except in the case of any payment where presentation and/or surrender of the relevant Subordinated Debt Instrument is not required as a precondition of payment) upon due presentation and/or surrender of the relevant Subordinated Debt Instrument, the relevant payment is not made in which case interest will continue to accrue thereon (after as well as before any demand or judgment) at the rate then applicable to the outstanding nominal amount of the Subordinated Debt Instruments or such other default rate (if any) as may be specified in the relevant Pricing Supplement until the date on which, upon (except in the case where presentation and/or surrender of the relevant Subordinated Debt Instrument is not required as a precondition of payment) due presentation and/or surrender of the relevant Subordinated Debt Instrument, the relevant payment is made or, if earlier (except in the case where presentation and/or surrender of the relevant Subordinated Debt Instrument is not required as a precondition of payment), the seventh day after the date on which, the I&P Agent or, as the case may be, the relevant Registrar having received the funds required to make such payment, notice of that circumstance is given to the Subordinated Debt Instrument Holder in accordance with Condition 19 (except to the extent that there is failure in the subsequent payment thereof to the relevant Subordinated Debt Instrument Holder).

(e) Business Day Convention

If the "**Business Day Convention**" is specified in the relevant Pricing Supplement to be:

(i) the "**Floating Rate Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event:

(A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day; and

(B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the relevant Pricing Supplement after the preceding applicable Interest Payment Date occurred; or

(ii) the "**Following Business Day Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(iii) the "**Modified Following Business Day Convention**", such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day;

(iv) the "**Preceding Business Day Convention**", such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(v) "**No Adjustment**", such Interest Payment Date shall not be adjusted in accordance with any Business Day Convention.

(f) Day Count Fraction

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Interest Period:

(i) if "**Actual/365**" or "**Actual/Actual**" is specified in the relevant Pricing Supplement, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified in the relevant Pricing Supplement, the actual number of days in the Interest Period divided by 365;

(iii) if "**Actual/360**" is specified in the relevant Pricing Supplement, the actual number of days in the Interest Period divided by 360;

(iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the relevant Pricing Supplement, the number of days in the Interest Period divided by 360 calculated on a formula basis as follows:

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

where:

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

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

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

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

"$\mathbf{D_1}$" 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

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(v) if "**30E/360**" or "**Eurobond basis**" is specified in the relevant Pricing Supplement, the number of days in the Interest Period divided by 360 calculated on a formula basis as follows:

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

where:

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

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

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

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

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

(vi) if "**Australian Bond Basis**" is specified in the relevant Pricing Supplement, one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period), 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); or

(vii) if "**Actual/Actual-ICMA**" is specified in the relevant Pricing Supplement:

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

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

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

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

where:

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

"**Calculation Period**" means the relevant period for which interest is to be calculated (from and including the first such day to but excluding the last).

6 Redemption and Purchase

6.1 Redemption

Unless previously redeemed in full, Exchanged in full, Written-Off in full or otherwise cancelled in full, each Subordinated Debt Instrument will be redeemed on its maturity date as specified in the relevant Pricing Supplement ("**Maturity Date**") at its Redemption Amount. The Maturity Date shall be no earlier than the fifth anniversary of the Issue Date.

6.2 Redemption at the option of the Issuer

Unless previously redeemed in full, Exchanged in full, Written-Off in full or otherwise cancelled in full, with the prior written approval of APRA, the Issuer may having given at least the minimum period (if any) (but not more than the maximum period (if any)) of notice specified in the relevant Pricing Supplement to Subordinated Debt Instrument Holders in accordance with Condition 19 (which notice must comply with the following paragraph) (an "**Early Redemption Notice**") redeem all or some of the Subordinated Debt Instruments:

(a) on the date or dates (if any) specified in the relevant Pricing Supplement for the purposes of this paragraph (each, an "**Optional Redemption Date**"); or

(b) following the occurrence of a Tax Event or a Regulatory Event,

in each case, at their Redemption Amount. An Optional Redemption Date shall be no earlier than the fifth anniversary of the Issue Date.

The Early Redemption Notice shall specify:

(c) the Series of Subordinated Debt Instruments subject to redemption;

(d) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate nominal amount of the Subordinated Debt Instruments of the relevant Series which are to be redeemed;

(e) the due date for redemption (the "**Early Redemption Date**");

(f) the Redemption Amount; and

(g) where redemption is on account of the occurrence of a Tax Event or a Regulatory Event, the facts constituting the Tax Event or a Regulatory Event to which the Redemption Amount relates.

In the case of a partial redemption of Subordinated Debt Instruments (other than Australian Domestic Notes), the Subordinated Debt Instruments to be redeemed will be selected by the I&P Agent (or in the case of a Tranche represented wholly by Subordinated Registered Debt Instruments, the Euro Registrar), as directed by the Issuer, and in the case of a partial redemption of Australian Domestic Notes, the Australian Domestic Notes to be so redeemed will be selected by the Issuer in a fair and reasonable manner as determined by the Issuer and in compliance with any law, directive or

requirement of any clearing system in which the Subordinated Debt Instruments are held. In each case, notice of the Subordinated Debt Instruments called for redemption (together with the serial numbers thereof, where applicable) will be published in accordance with Condition 19 not less than 15 days prior to the date fixed for redemption.

6.3 Effect of an Early Redemption notice

Subject to Condition 7.11, an Early Redemption Notice is irrevocable and obliges the Issuer, subject to the Solvency Condition, to redeem the aggregate nominal amount of Subordinated Debt Instruments specified in the Early Redemption Notice on the Early Redemption Date, by payment of the Redemption Amount in respect of each Subordinated Debt Instrument to be redeemed.

6.4 No early redemption at the option of Subordinated Debt Instrument Holders

A Subordinated Debt Instrument Holder cannot require the Issuer to redeem all or some of the Subordinated Debt Instruments held by that Subordinated Debt Instrument Holder before their Maturity Date.

6.5 Effect of redemption

Upon payment of the Redemption Amount in respect of a redemption of a Subordinated Debt Instrument, all of the Subordinated Debt Instrument Holder's rights in relation to that Subordinated Debt Instrument will be immediately and irrevocably terminated.

6.6 Purchases

Subject to APRA's prior written approval, the Issuer or any of its Related Entities may at any time purchase Subordinated Debt Instruments, Coupons or Talons (provided that, in the case of interest-bearing Subordinated Bearer Debt Instruments, all unmatured Coupons and unexchanged Talons appertaining thereto are attached or surrendered therewith) at any price in the open market or otherwise. Such Subordinated Debt Instruments may be held, reissued, resold or, at the option of the Issuer, or in the case of Subordinated Debt Instruments which are not in the form of Australian Domestic Notes, surrendered to the I&P Agent for cancellation.

6.7 Cancellation

Subordinated Debt Instruments (other than Australian Domestic Notes) redeemed or purchased for cancellation by or on behalf of the Issuer, will forthwith be surrendered for cancellation to the I&P Agent (in the case of Subordinated Bearer Debt Instruments) or the Registrar or the Transfer Agent (in the case of Subordinated Registered Debt Instruments which are certificated) and must be surrendered together with, in the case of interest-bearing Subordinated Bearer Debt Instruments, all unmatured Coupons and unexchanged Talons and accordingly may not be reissued or resold. All such Subordinated Debt Instruments will be cancelled forthwith (together with all such Coupons and Talons) and the Issuer's obligations in respect of such Subordinated Debt Instruments shall be discharged upon such cancellation.

In the case of Australian Domestic Notes, Subordinated Debt Instruments redeemed or purchased by or on behalf of the Issuer will be cancelled without any further action being required.

6.8 Early redemption and repurchase restrictions

The Issuer may only elect to redeem Subordinated Debt Instruments under Condition 6.2, and the Issuer or any of its Related Entities may only elect to purchase Subordinated Debt Instruments under Condition 6.6, if either:

(a) the Subordinated Debt Instruments to be redeemed or repurchased are replaced (concurrently with the redemption or repurchase or beforehand) with a capital instrument of the same or better quality, and the replacement or repurchase of those Subordinated Debt Instruments is done under conditions which are sustainable for the income capacity of the Issuer Level 1 Group and the Issuer Level 2 Group; or

(b) the Issuer obtains confirmation from APRA that APRA is satisfied that the capital positions of the Issuer Level 1 Group and the Issuer Level 2 Group are sufficient after the Subordinated Debt Instruments are redeemed or repurchased.

Subordinated Debt Instrument Holders should not expect that APRA's approval will be given for any early redemption or purchase of Subordinated Debt Instruments under these Conditions.

7 Exchange on Non-Viability Event

7.1 Non-Viability Event

(a) A "**Non-Viability Event**" will occur when APRA:

(i) issues a written notice to the Issuer that it is necessary that Relevant Securities (including the Subordinated Debt Instruments) be subject to Loss Absorption because, without such Loss Absorption, APRA considers that the Issuer would become non-viable; or

(ii) notifies the Issuer in writing that it has determined that without a public sector injection of capital, or equivalent support, the Issuer would become non-viable.

(b) If a Non-Viability Event occurs, on the date (whether or not a Business Day) on which a Non-Viability Event occurs ("**Non-Viability Date**") such aggregate nominal amount of the Subordinated Debt Instruments shall be immediately Exchanged as is equal (following or together with any Loss Absorption in respect of other Relevant Securities) to:

(i) the aggregate nominal amount of Relevant Securities that APRA has notified the Issuer must be subject to Loss Absorption to satisfy APRA that the Issuer will not become non-viable; or

(ii) if APRA has not so notified the Issuer, such aggregate nominal amount of Subordinated Debt Instruments determined by the Issuer in accordance with Condition 7.2 as would satisfy APRA that the Issuer will not become non-viable,

provided, however, that in the case of a Non-Viability Event described in Condition 7.1(a)(ii), the aggregate outstanding nominal amount of all Subordinated Debt Instruments shall be Exchanged in full. No Subordinated Debt Instrument or portion thereof can, or will, be Exchanged at the option of a Subordinated Debt Instrument Holder.

7.2 Consequences of a Non-Viability Event

(a) If a Non-Viability Event occurs and only some Subordinated Debt Instruments are required to be Exchanged, the Issuer will determine the aggregate nominal amount of Subordinated Debt Instruments which must be Exchanged in accordance with Condition 7.1 in accordance with the following:

(i) first, all Relevant Tier 1 Securities shall be subject to Loss Absorption; and

(ii) secondly, if such Loss Absorption in respect of all Relevant Tier 1 Securities is not sufficient to satisfy the requirements of Condition 7.1(a)(i) and provided that, as a result of that Loss Absorption, APRA has not withdrawn its determination in connection with the Non-Viability Event:

(A) the Issuer shall Exchange an aggregate outstanding nominal amount of Subordinated Debt Instruments; and

(B) other Relevant Tier 2 Securities shall be subject to Loss Absorption,

on an approximately proportionate basis (unless the terms of any such Relevant Tier 2 Security provide for any Loss Absorption to occur other than on a proportionate basis) or on such other basis as the Issuer considers fair and reasonable, provided, however, that such determination must not impede or delay the immediate Exchange of the relevant aggregate nominal amount of Subordinated Debt Instruments.

(b) If a Non-Viability Event occurs, the Issuer shall determine the Subordinated Debt Instruments or portions thereof as to which Exchange is to take effect and in making that determination may make any decisions with respect to the identity of the Subordinated Debt Instrument Holders at that time as may be necessary or desirable to ensure Exchange occurs in an orderly manner, including disregarding any transfers of Subordinated Debt Instruments that have not been settled or registered at that time.

(c) If only some Subordinated Debt Instruments are to be Exchanged, the Issuer will endeavour to treat Subordinated Debt Instrument Holders on an approximately proportionate basis or on such other basis as the Issuer considers fair and reasonable, but may discriminate to take account of the effect of marketable parcels, whole numbers of MGL Ordinary Shares and authorised denominations of any Subordinated Debt Instruments or other Relevant Securities remaining on issue and other similar considerations and the need to effect the Exchange immediately.

(d) For the purposes of the foregoing subsections, where the specified currency of the nominal amount of Relevant Tier 2 Securities is not the same for all Relevant Tier 2 Securities, the Issuer may treat them as if converted into a single currency of the Issuer's choice at such rate of exchange as the Issuer in good faith considers reasonable.

7.3 Non-Viability Notice

The Issuer must give notice of its determination pursuant to Condition 7.2(a) (a "**Non-Viability Notice**") as soon as practicable to Subordinated Debt Instrument Holders, which must specify:

(a) the Non-Viability Date;

(b) the aggregate nominal amount of the Subordinated Debt Instruments that have been, or are to be, Exchanged; and

(c) the relevant number or nominal amount of other Relevant Securities that have been, or are to be subject to Loss Absorption.

7.4 Write-Off

Notwithstanding any other provisions of this Condition 7, if for any reason an Exchange has not occurred in respect of any Subordinated Debt Instrument within 5 Business Days of a Non-Viability Date, then such Exchange will not occur and each Subordinated Debt Instrument which, but for Condition 7.4, would be required to be Exchanged, will be Written-Off. The Issuer must give notice

to holders of affected Subordinated Debt Instruments if an Exchange has not occurred by operation of this Condition (a "**Write-Off Notice**"), but failure to give that notice shall not affect the operation of this subsection.

7.5 Subordinated Debt Instrument Holder acknowledgements

(a) Nothing shall prevent, impede or delay any Exchange or Write-Off of Subordinated Debt Instruments as required by Conditions 7.1, 7.2 or 7.4, including, without limitation, the following events:

(i) any failure or delay in any Loss Absorption in respect of any other Relevant Securities;

(ii) any failure or delay in giving a Non-Viability Notice or Write-Off Notice;

(iii) any failure or delay in quotation of the MGL Ordinary Shares to be issued on or arising from the Exchange;

(iv) any requirement to select or adjust the aggregate outstanding nominal amount of Subordinated Debt Instruments to be Exchanged or Written-Off in accordance with Conditions 7.1, 7.2 or 7.4;

(v) any failure or delay by a Subordinated Debt Instrument Holder or any other party to comply with the provisions of Condition 7.7; and

(vi) any obligation of the Issuer to treat Subordinated Debt Instrument Holders proportionately or any right to make determinations or adjustments in accordance with Condition 7.2(c).

(b) Each Subordinated Debt Instrument Holder, by its purchase or holding of an interest in such Subordinated Debt Instruments irrevocably acknowledges and agrees that:

(i) the Issuer intends that the Subordinated Debt Instruments constitute Tier 2 Capital and that they shall be able to absorb losses at the point of non-viability as described in APRA's prudential standards and guidelines and that the Subordinated Debt Instruments are subject to Exchange or Write-Off in accordance with this Condition 7, which is a fundamental term of these Conditions;

(ii) Loss Absorption must occur immediately on the Non-Viability Date and that may result in disruption or failures in trading or dealings in the Subordinated Debt Instruments;

(iii) no conditions or events will affect the operation of this Condition 7 and Subordinated Debt Instrument Holders will not have any rights to vote in respect of any Subordinated Debt Instruments or portions thereof that are Exchanged or Written-Off under this Condition 7;

(iv) any failure or delay in the completion of any procedure, formality or other matter connected with the Exchange or Writing-Off of a Subordinated Debt Instrument held by the Subordinated Debt Instrument Holder pursuant to this Condition 7 shall not prevent, impede or delay the Write-Off of such Subordinated Debt Instrument (which shall be deemed to have occurred immediately with effect on and from the Non-Viability Date, notwithstanding such failure or delay);

(v) it consents to becoming a member of MGL and agrees to be bound by the constitution of MGL upon an Exchange;

(vi) it agrees to the application of payments and issue of MGL Ordinary Shares as provided by this Condition 7 and Condition 8 hereto in respect of its Subordinated Debt Instruments upon an Exchange, notwithstanding anything which might otherwise affect the Exchange including, without limitation:

(A) any change in the financial position of the Issuer, MGL or the Macquarie Group since the Issue Date;

(B) any disruption to the market or potential market for the MGL Ordinary Shares or to capital markets generally;

(C) it being impossible or impracticable to list the MGL Ordinary Shares on ASX; or

(D) it being impossible or impracticable to sell or otherwise dispose of the MGL Ordinary Shares;

(vii) if an Exchange does not occur in the circumstances contemplated in Condition 7.4, each Subordinated Debt Instrument subject to such Exchange will be Written-Off;

(viii) it will provide the Issuer and MGL with (i) its name and address (or the name and address of any person in whose name it directs the MGL Ordinary Shares to be issued) for entry into any register of title and receipt of any certificate or holding statement in respect of any MGL Ordinary Shares (ii) the Subordinated Debt Instrument Holder's security account details in CHESS or such other account to which the MGL Ordinary Shares may be credited and (iii) such other information as is reasonably requested by the Issuer for the purposes of enabling it to issue the Exchange Number of MGL Ordinary Shares to the Subordinated Debt Instrument Holder. Neither the Issuer nor MGL has any duty to seek or obtain such information;

(ix) it has no right to request an Exchange of or payment in respect of the Exchange of a Subordinated Debt Instrument or to determine whether (or in what circumstances) the Subordinated Debt Instruments it holds are Exchanged;

(x) it has no remedies on account of a failure by MGL or any Related Body Corporate:

(A) to make any payment in respect of an Exchange;

(B) to issue MGL Ordinary Shares as required in respect of an Exchange other than (and subject always to Condition 7.4) to seek specific performance of the obligation to issue the MGL Ordinary Shares; or

(C) to perform any of the Related Exchange Steps;

(xi) prior to an Exchange, a Subordinated Debt Instrument does not create or confer any voting rights in respect of any member of the Macquarie Group; and

(xii) subject to applicable law, it is not entitled to be provided with copies of any notices of general meetings of the Issuer or MGL or any other documents (including annual reports and financial statements) sent by the Issuer or MGL to holders of ordinary shares or other securities (if any) in the Issuer or MGL.

7.6 Power of attorney

Each Subordinated Debt Instrument Holder, by its purchase or holding of an interest in such Subordinated Debt Instruments irrevocably:

(a) appoints each of MGL, the Issuer, any Sale Agent, their respective duly authorised officers and any liquidator, administrator, statutory manager or other similar official of MGL or the Issuer (each an "**Appointed Person**") severally to be the attorneys of the Subordinated Debt Instrument Holder and the agents of the Subordinated Debt Instrument Holder, with the power in the name and on behalf of the Subordinated Debt Instrument Holder to:

(i) do all such acts and things (including, without limitation, signing all documents, instruments or transfers or instructing CHESS) as may, in the opinion of the Appointed Person, be necessary or desirable to be done in order to give effect to, record or perfect an Exchange or Write-Off (as applicable) in accordance with this Condition 7 and Condition 8;

(ii) do all other things which an Appointed Person reasonably believes to be necessary or desirable to give effect to the Conditions; and

(iii) appoint in turn its own agent or delegate; and

(b) authorises and directs the Issuer and/or the relevant Registrar to make such entries in the relevant Register, including amendments and additions to the relevant Register, which the Issuer and/or the relevant Registrar may consider necessary or desirable to record an Exchange or Write-Off (as applicable).

The power of attorney given in this Condition 7.6 is given for valuable consideration and to secure the performance by the Subordinated Debt Instrument Holder of the holder's obligations under the Conditions, is irrevocable and shall survive and not be affected by the subsequent disability or incapacity of the holder (or, if such holder is an entity, by its dissolution or termination). An Appointed Person shall have no liability in respect of any acts duly performed in accordance with power of attorney given in this Condition 7.6.

7.7 Partial Exchange or Write-Off

For any Subordinated Debt Instrument which is to be Exchanged or Written-Off only in part:

(a) for the purposes of the transfer of that portion of that Subordinated Debt Instrument to MGL in accordance with Condition 8.1(a), the nominal amount of that Subordinated Debt Instrument to be Exchanged (the "**Exchanged Portion**") and the nominal amount of that Subordinated Debt Instrument that is not to be Exchanged (the "**Remaining Portion**") shall each be deemed to be a separate Subordinated Debt Instrument, with a nominal amount:

(i) in the case of the Subordinated Debt Instrument referable to the Exchanged Portion, equal to the nominal amount required to be Exchanged; and

(ii) in the case of the Subordinated Debt Instrument referable to the Remaining Portion, equal to the nominal amount not required to be exchanged (such amount being the "**Reduced Nominal Amount**");

(b) the Subordinated Debt Instrument referable to the Exchanged Portion shall be Exchanged in accordance with Condition 8; and

(c) in respect of the Subordinated Debt Instrument referable to the Remaining Portion:

(i) any amount payable in respect of the Subordinated Debt Instrument (including interest, principal or otherwise and any amount provable in a Winding-Up) on a date following the Non-Viability Event Date will be reduced and calculated on the basis of the Reduced Nominal Amount (this includes, where such Subordinated Debt Instrument is a Subordinated Bearer Debt Instrument, any amount payable in respect of a Coupon presented after such date); and

(ii) the voting entitlement of that Subordinated Debt Instrument Holder in respect of that Subordinated Debt Instrument will be adjusted and calculated on the basis of the Reduced Nominal Amount of that Subordinated Debt Instrument.

7.8 Presentation and surrender of Subordinated Debt Instruments subject to Exchange or Write-Off

(a) If a Subordinated Debt Instrument to which Condition 7.7 applies is a Subordinated Bearer Debt Instrument or a certificated Subordinated Registered Debt Instrument, the Subordinated Debt Instrument Holder must:

(i) in the case of a Subordinated Bearer Debt Instrument, immediately present and surrender the Subordinated Debt Instrument at the specified office of;

(A) in the case of a Subordinated Bearer Debt Instrument in definitive form, the I&P Agent;

(B) in the case of a Subordinated Bearer Debt Instrument that is represented by a Subordinated Global Debt Instrument, the I&P Agent;

(ii) in the case of a Subordinated Debt Instrument that is a Subordinated Registered Debt Instrument in certificated form, immediately present and surrender the certificate at the specified office of the relevant Registrar; and

(b) where such Subordinated Debt Instrument is converted or Written-Off in full, the I&P Agent or the relevant Registrar (as the case may be) shall cancel or arrange for the cancellation of such Subordinated Debt Instrument; and

(c) where such Subordinated Debt Instrument is converted or Written-Off in part, the I&P Agent or the relevant Registrar (as the case may be) shall:

(i) where such Subordinated Debt Instrument is represented by a Subordinated Global Debt Instrument, endorse or arrange for the endorsement of the Subordinated Global Debt Instrument to reflect the reduction in the nominal amount to the Remaining Portion; and

(ii) where such Subordinated Debt Instrument is in definitive form, cancel or arrange for the cancellation of the Subordinated Debt Instrument and deliver or arrange for the delivery of a new Subordinated Definitive Debt Instrument reflecting the nominal amount of the Remaining Portion,

but no failure or delay in such presentation and surrender, cancellation, endorsement or issue shall prevent, impede or delay the Exchange or Write-Off of any Subordinated Debt Instruments required by Condition 7.

In this Condition 7.8, a reference to a Subordinated Bearer Debt Instrument includes a reference to any Coupons and Talons relating to that Subordinated Bearer Debt Instrument, attached or otherwise.

7.9 Obligations of MGL

MGL irrevocably undertakes for the benefit of Subordinated Debt Instrument Holders:

(a) to perform its obligations relating to an Exchange (including in connection with the issue and delivery of MGL Ordinary Shares) as provided in these Conditions;

(b) to use all reasonable endeavours to procure quotation of the MGL Ordinary Shares issued or arising from an Exchange on ASX. Each holder of Subordinated Debt Instruments so Exchanged agrees not to trade MGL Ordinary Shares issued on an Exchange (except as permitted by the Corporations Act, other applicable laws and the ASX Listing Rules) until MGL has taken such steps as are required by the Corporations Act, other applicable laws and the ASX Listing Rules for the MGL Ordinary Shares to be freely tradable without further disclosure or other action and agrees that MGL may impose a holding lock or refuse to register a transfer in respect of MGL Ordinary Shares until such time;

(c) to ensure that the MGL Ordinary Shares issued or arising from an Exchange will rank equally with all other fully paid MGL Ordinary Shares;

(d) from the applicable Non-Viability Date, subject to Conditions 7.4 and 7.5(b)(x) to treat the Subordinated Debt Instrument Holder in respect of its Subordinated Debt Instruments as the holder of the Exchange Number of MGL Ordinary Shares and will take all such steps, including updating any register, required to record the Exchange; and

(e) otherwise to comply with the Conditions.

7.10 Timing of Non-Viability Event

A Non-Viability Event takes effect, and the Issuer must perform the obligations in respect of the relevant determination, immediately on the Non-Viability Date, whether or not such day is a Business Day.

7.11 Priority of Exchange obligations

An Exchange on account of a Non-Viability Event takes place on the relevant date and in the manner required in Condition 8 notwithstanding anything in Conditions 5 or 6 (and any Early Redemption Notice in respect of the Subordinated Debt Instruments given before the Non-Viability Date but in respect of which Redemption has not completed will be taken to be revoked and of no force or effect).

8 Exchange Mechanics

8.1 Exchange

On a Non-Viability Date, subject to Condition 7.4, each of the events described in this Condition 8.1 shall occur in respect of any Subordinated Debt Instrument to be Exchanged (including where a Subordinated Debt Instrument is to be Exchanged in part, the Subordinated Debt Instrument arising in respect of the Exchanged Portion in accordance with Condition 7.7).

(a) The rights of each Subordinated Debt Instrument Holder of each relevant Subordinated Debt Instrument (including to payment of interest, principal or otherwise) in relation to the nominal amount of that Subordinated Debt Instrument will be automatically and irrevocably transferred free from any Encumbrance to MGL or an Approved Nominee for an amount payable by MGL equal to the outstanding nominal amount of that Subordinated Debt Instrument and MGL will apply that outstanding nominal amount by way of payment for subscription for the MGL Ordinary Shares to be allotted and issued under Condition 8.1(b).

Each Subordinated Debt Instrument Holder is taken to have irrevocably directed that any amount payable under this Condition 8.1(a) is to be applied as provided for in Condition 8.1(b) and no such Subordinated Debt Instrument Holder (or other person claiming through a Subordinated Debt Instrument Holder) has any right to payment in any other way.

(b) MGL will allot and issue the Exchange Number of MGL Ordinary Shares to the Subordinated Debt Instrument Holder (or as they may direct) for a subscription price equal to the outstanding nominal amount of that Subordinated Debt Instrument. The "**Exchange Number**" will be calculated by the Issuer in accordance with the following formula:

$$\text{Exchange Number} = \frac{\text{Exchange Amount}}{0.99 \times \text{Non-Viability Date VWAP}}$$

subject to the Exchange Number being no greater than the Maximum Exchange Number.

(c) The "**Maximum Exchange Number**" will be calculated by the Issuer on the Issue Date in accordance with the following formula:

$$\text{Maximum Exchange Number} = \frac{\text{Exchange Amount}}{\text{Exchange Floor Price}}$$

(d) If the total number of MGL Ordinary Shares to be allotted to a Subordinated Debt Instrument Holder in respect of their aggregate holding of Subordinated Debt Instruments or portions thereof upon Exchange includes a fraction of an MGL Ordinary Share, that fraction of an MGL Ordinary Share will be disregarded.

(e) All rights to payment of interest or any other amount owing, both in the future and as accrued but unpaid as at the Non-Viability Date, in relation to such Subordinated Debt Instrument transferred will be immediately and irrevocably terminated for no other consideration.

(f) As agreed between, amongst others, MGL and the Issuer under the Implementation Deed, MGL, the Issuer and their Related Bodies Corporate will deal with the Subordinated Debt Instruments or portions thereof being Exchanged so that fully paid ordinary shares in the capital of the Issuer are issued to, or as directed by, MGL or to a Related Body Corporate of MGL nominated by MGL (which is a holding company of the Issuer and which itself issues ordinary shares to, or as directed by, MGL), for an aggregate Issue Price equal to the aggregate Exchange Amount and the Subordinated Debt Instruments transferred to MGL or to an Approved Nominee in accordance with this Condition 8.1 shall be redeemed and cancelled (the "**Related Exchange Steps**").

8.2 Adjustments to VWAP

For the purposes of calculating VWAP under these Conditions:

(a) where, on some or all of the ASX Trading Days in the relevant VWAP Period, MGL Ordinary Shares have been quoted on ASX as cum dividend or cum any other distribution or entitlement and the Subordinated Debt Instruments or portions thereof will be Exchanged for MGL Ordinary Shares after the date those MGL Ordinary Shares no longer carry that dividend or any other distribution or entitlement, then the VWAP on the ASX Trading Days on which those MGL Ordinary Shares have been quoted cum dividend or cum any other distribution or entitlement shall be reduced by an amount ("**Cum Value**") equal to:

(i) in case of a dividend or other distribution, the amount of that dividend or other distribution including, if the dividend or other distribution is franked, the amount that would be included in the assessable income of a recipient of the dividend or

other distribution who is both a resident of Australia and a natural person under the Tax Act and eligible to receive a franked distribution;

(ii) in the case of any other entitlement that is not a dividend or other distribution under Condition 8.2(a)(i) and which is traded on ASX on any of those ASX Trading Days, the volume weighted average sale price of all such entitlements sold on ASX during the VWAP Period on the ASX Trading Days on which those entitlements were traded; or

(iii) in the case of any other entitlement which is not traded on ASX during the VWAP Period, the value of the entitlement as reasonably determined by the Issuer; and

(b) where, on some or all of the ASX Trading Days in the VWAP Period, MGL Ordinary Shares have been quoted on ASX as ex dividend or ex any other distribution or entitlement, and the Subordinated Debt Instruments or portions thereof will be Exchanged for MGL Ordinary Shares which would be entitled to receive the relevant dividend or other distribution or entitlement, the VWAP on the ASX Trading Days on which those MGL Ordinary Shares have been quoted ex dividend or ex any other distribution or entitlement shall be increased by the Cum Value.

8.3 Adjustments to VWAP for divisions and similar transactions

(a) Where during the relevant VWAP Period there is a change in the number of the MGL Ordinary Shares on issue as a result of a Reclassification, in calculating the VWAP for that VWAP Period the Daily VWAP applicable on each day in the relevant VWAP Period which falls before the date on which trading in MGL Ordinary Shares is conducted on a post Reclassification basis shall be adjusted by multiplying the VWAP by the following fraction:

$$\frac{A}{B}$$

where:

"**A**" means the aggregate number of MGL Ordinary Shares immediately before the Reclassification; and

"**B**" means the aggregate number of MGL Ordinary Shares immediately after the Reclassification.

(b) Any adjustment to VWAP made by the Issuer in accordance with Condition 8.2 or Condition 8.3(a) will be effective and binding on Subordinated Debt Instrument Holders and the Conditions will be construed accordingly. Any such adjustment must be notified to all Subordinated Debt Instrument Holders as soon as reasonably practicable following its determination by the Issuer.

8.4 Adjustments to Issue Date VWAP

For the purposes of determining the Issue Date VWAP, adjustments to VWAP will be made in accordance with Condition 8.2 or Condition 8.3 during the period for determining the Issue Date VWAP. On and from the Issue Date, adjustments to the Issue Date VWAP:

(a) may be made in accordance with Condition 8.5 or Condition 8.6; and

(b) if so made, will correspondingly cause an adjustment to the Maximum Exchange Number.

8.5 Adjustments to Issue Date VWAP for bonus issues

(a) Subject to Condition 8.5(b), if MGL makes a pro rata bonus issue of MGL Ordinary Shares to holders of MGL Ordinary Shares generally, the Issue Date VWAP will be adjusted immediately in accordance with the following formula:

$$V = V_0 \times \frac{RD}{RD + RN}$$

where:

"**V**" means the Issue Date VWAP applying immediately after the application of this formula;

"**V_0**" means the Issue Date VWAP applying immediately prior to the application of this formula;

"**RN**" means the number of MGL Ordinary Shares issued pursuant to the bonus issue; and

"**RD**" means the number of MGL Ordinary Shares on issue immediately prior to the allotment of new MGL Ordinary Shares pursuant to the bonus issue.

(b) Condition 8.5(a) does not apply to MGL Ordinary Shares issued as part of a bonus share plan, employee or executive share plan, executive option plan, share top up plan, share purchase plan or a dividend reinvestment plan.

(c) For the purpose of Condition 8.5(a) an issue will be regarded as a pro rata issue notwithstanding that MGL does not make offers to some or all holders of MGL Ordinary Shares with registered addresses outside Australia, provided that in so doing MGL is not in contravention of the ASX Listing Rules.

(d) No adjustments to the Issue Date VWAP will be made under this Condition 8.5 for any offer of MGL Ordinary Shares not covered by Condition 8.5(a), including a rights issue or other essentially pro rata issue.

(e) The fact that no adjustment is made for an issue of MGL Ordinary Shares except as covered by Condition 8.5(a) shall not in any way restrict MGL from issuing MGL Ordinary Shares at any time on such terms as it sees fit nor be taken to constitute a modification or variation of rights or privileges of Subordinated Debt Instrument Holders or otherwise requiring any consent or concurrence of Subordinated Debt Instrument Holders.

8.6 Adjustment to Issue Date VWAP for divisions and similar transactions

(a) If at any time after the Issue Date there is a change in the number of MGL Ordinary Shares on issue as a result of a Reclassification, the Issuer will adjust the Issue Date VWAP by multiplying the Issue Date VWAP applicable on the Business Day immediately before the date of any such Reclassification by the following fraction:

$$\frac{A}{B}$$

where:

"**A**" means the aggregate number of MGL Ordinary Shares immediately before the Reclassification; and

"**B**" means the aggregate number of MGL Ordinary Shares immediately after the Reclassification.

(b) Each Subordinated Debt Instrument Holder acknowledges that MGL may consolidate, divide or reclassify securities so that there is a lesser or greater number of MGL Ordinary Shares at any time in its absolute discretion without any such action constituting a modification or variation of rights or privileges of Subordinated Debt Instrument Holders or otherwise requiring any consent or concurrence.

8.7 No adjustment to Issue Date VWAP in certain circumstances

Despite the provisions of Condition 8.5 or Condition 8.6, no adjustment shall be made to the Issue Date VWAP where such cumulative adjustment (rounded if applicable) would be less than 1 per cent. of the Issue Date VWAP then in effect. Any adjustment not made in accordance with this Condition 8.7 shall be carried forward and taken into account in determining whether any subsequent adjustment shall be made.

8.8 Announcement of adjustment to Issue Date VWAP

If the Issuer determines an adjustment to the Issue Date VWAP under Condition 8.5 or Condition 8.6, such an adjustment will be:

(a) determined as soon as reasonably practicable following the relevant event; and

(b) notified to Subordinated Debt Instrument Holders (an "**Adjustment Notice**") within 10 Business Days of the Issuer determining the adjustment.

The adjustment set out in the Adjustment Notice will be final and binding on Subordinated Debt Instrument Holders and the Conditions will be construed accordingly.

8.9 Failure to Exchange

(a) Subject to Condition 7.4 and Condition 8.10(h), if, in respect of an Exchange of a Subordinated Debt Instrument, MGL fails to issue the MGL Ordinary Shares to, or in accordance with the instructions of, the relevant Subordinated Debt Instrument Holder of that Subordinated Debt Instrument on the applicable Non-Viability Date or to a Sale Agent where Condition 8.10 applies, the outstanding nominal amount of that Subordinated Debt Instrument shall nonetheless be transferred and dealt with in accordance with Condition 8.1(a), Condition 8.1(e) and Condition 8.1(f) and the remedies of any Subordinated Debt Instrument Holder of that Subordinated Debt Instrument in respect of that failure are limited to seeking an order for specific performance of MGL's obligations to issue MGL Ordinary Shares.

(b) If, in respect of an Exchange of a Subordinated Debt Instrument, that Subordinated Debt Instrument is not transferred on the Non-Viability Date free from Encumbrance to MGL or its Approved Nominee, MGL shall issue the Exchange Number of MGL Ordinary Shares to the Subordinated Debt Instrument Holder in respect of that Subordinated Debt Instrument and all rights of the relevant Subordinated Debt Instrument Holder (and any person claiming through the Subordinated Debt Instrument Holder) in such Subordinated Debt Instrument are taken to have ceased and that Subordinated Debt Instrument shall be cancelled.

(c) This Condition 8.9 does not affect the obligation of MGL to deliver the MGL Ordinary Shares or of the relevant Subordinated Debt Instrument Holder to transfer that Subordinated Debt Instrument when required in accordance with these terms.

8.10 Subordinated Debt Instruments Holders whose MGL Ordinary Shares are to be sold

Subject to Condition 7.4, if any Subordinated Debt Instrument is required to be Exchanged and if:

(a) the Subordinated Debt Instrument Holder of that Subordinated Debt Instrument has notified the Issuer that it does not wish to receive MGL Ordinary Shares as a result of the Exchange (whether entirely or to the extent specified in the notice), which notice may be given at any time on or after the Issue Date and no less than 15 Business Days prior to the Non-Viability Date;

(b) the Subordinated Debt Instrument Holder of that Subordinated Debt Instrument is a Foreign Holder;

(c) the Subordinated Debt Instrument Holder of that Subordinated Debt Instrument is a Clearing System Holder;

(d) for any reason (whether or not due to the fault of the Subordinated Debt Instrument Holder):

(i) the Issuer or MGL does not receive any information required by it in accordance with the terms of that Subordinated Debt Instrument so as to impede MGL from issuing the MGL Ordinary Shares to the Subordinated Debt Instrument Holder of that Subordinated Debt Instrument on the Non-Viability Date; or

(ii) a FATCA Withholding is required to be made in respect of any MGL Ordinary Shares to be delivered as a result of that Exchange; or

(e) MGL is of the opinion that under an Applicable Shareholding Law, the Subordinated Debt Instrument Holder of that Subordinated Debt Instrument is prohibited from acquiring some or all of the Exchange Number of MGL Ordinary Shares on the Non-Viability Date;

then, subject to Condition 8.10(f), the Issuer will use reasonable endeavours to appoint one or more parties (in each case, other than the Issuer or any Related Entity of the Issuer) as a Sale Agent on such terms as the Issuer considers reasonable, who will act in accordance with Condition 8.10(g) where the Issuer, MGL and each Sale Agent can be satisfied that the obligation in Condition 8.10(g) may be performed in respect of the relevant Subordinated Debt Instrument and the relevant MGL Ordinary Shares in accordance with all applicable laws and without the Issuer, MGL or any Sale Agent having to take steps which any of them regard as unacceptable or onerous.

On the Non-Viability Date:

(f) where Condition 8.10(a), Condition 8.10(b), Condition 8.10(d)(ii) or Condition 8.10(e) applies, MGL will issue the Exchange Number of MGL Ordinary Shares to the Subordinated Debt Instrument Holder of that Subordinated Debt Instrument only to the extent (if at all) that:

(i) where Condition 8.10(a) applies, the Subordinated Debt Instrument Holder's notice referred to in Condition 8.10(a) indicates the Subordinated Debt Instrument Holder wishes to receive them;

(ii) where Condition 8.10(b) applies, the Foreign Holder has notified the Issuer that it wishes to receive MGL Ordinary Shares as a result of the Exchange (whether entirely or to the extent specified in the notice), which notice may be given at any time on or after the Issue Date and no less than 15 Business Days prior to the Non-Viability Date, and MGL is satisfied that the laws of both Australia and the Foreign Holder's country of residence permit the issue of the Exchange Number of MGL Ordinary

Shares to the Foreign Holder as contemplated by this Condition 8.10 (but as to which MGL is not bound to enquire), either unconditionally or after compliance with conditions which MGL, in its absolute discretion, regards as acceptable and not unduly onerous;

(iii) where Condition 8.10(d)(ii) applies, MGL, in its absolute discretion, considers that it can do so in accordance with the requirements applicable to the relevant FATCA Withholding without it having to take steps which it regards as unacceptable or onerous; or

(iv) where Condition 8.10(e) applies, the issue would, in MGL's opinion, result in the Subordinated Debt Instrument Holder receiving the maximum number of MGL Ordinary Shares the Subordinated Debt Instrument Holder is permitted to acquire in compliance with Applicable Shareholding Law as at the Non-Viability Date;

(g) otherwise, subject to Conditions 8.10(h) and 8.10(i) and Condition 7.4, MGL will issue the balance (or where Condition 8.10(d)(i) applies, all) of the Exchange Number of MGL Ordinary Shares in respect of that Subordinated Debt Instrument Holder to a Sale Agent (or its nominee) on the terms that, at the first reasonable opportunity to sell the MGL Ordinary Shares, the Sale Agent will arrange for their sale and pay to the Subordinated Debt Instrument Holder of the relevant Subordinated Debt Instrument on a date determined by the Sale Agent a cash amount equal to the Attributable Proceeds of the Subordinated Debt Instrument Holder of that Subordinated Debt Instrument (and, where a FATCA Withholding has been required to be made, will remit the cash amount referable to the FATCA Withholding to, or as directed by, the relevant authority or agency). The issue of MGL Ordinary Shares to a Sale Agent will satisfy all obligations of MGL and its Related Bodies Corporate in connection with the Exchange, that Subordinated Debt Instrument will be deemed Exchanged and will be dealt with in accordance with Condition 8.1 and, on and from the issue of MGL Ordinary Shares, the rights of the Subordinated Debt Instrument Holder of that Subordinated Debt Instrument the subject of this Condition 8.10 are limited to its rights in respect of the MGL Ordinary Shares or the Attributable Proceeds as provided in this Condition 8.10;

(h) where Condition 8.10(c) applies, MGL will issue the relevant aggregate Exchange Number of MGL Ordinary Shares required to be issued to such holder to a Sale Agent (or its nominee) in accordance with this Condition 8 for no additional consideration to hold for the benefit of the participants in, or members of, the relevant Clearing System who held interests in the corresponding Subordinated Debt Instruments through the relevant Clearing System immediately prior to Exchange ("**Clearing System Participants**"); and each such Clearing System Participant will, in respect of its entitlement to an interest in that Subordinated Debt Instrument, be entitled to receive MGL Ordinary Shares (or the proceeds of the sale of MGL Ordinary Shares) from the Sale Agent in accordance with this Condition 8 as though references to the "holder" of any Subordinated Debt Instrument are to the Clearing System Participant and references to MGL issuing MGL Ordinary Shares to the holder are to the Sale Agent delivering to the Clearing System Participant the MGL Ordinary Shares issued to the Sale Agent under Condition 8.10(g);

(i) where Condition 8.10(g) applies in respect of a Subordinated Debt Instrument Holder and a Sale Agent is unable to be appointed, or any of the Issuer, MGL or a Sale Agent is of the opinion that the issue of MGL Ordinary Shares to the Sale Agent and subsequent delivery or sale in accordance with Condition 8.10(g) cannot be undertaken in accordance with Applicable Shareholding Law or other applicable law (or can be undertaken in accordance with Applicable Shareholding Law or applicable law only after MGL or the Sale Agent take steps which any of the Issuer, MGL or the Sale Agent regard as onerous) then, without in any way limiting Condition 7.4, if either or both of MGL and the Sale Agent is of the opinion

that the issue of MGL Ordinary Shares cannot be undertaken within 5 Business Days of the Non-Viability Date to the Sale Agent in accordance with Condition 8.10(g) or otherwise to the Subordinated Debt Instrument Holder of that Subordinated Debt Instrument in accordance with Condition 8.10, then that Subordinated Debt Instrument will be Written-Off;

(j) nothing in this Condition 8.10 shall affect the Exchange of any Subordinated Debt Instrument to any Subordinated Debt Instrument Holder of that Subordinated Debt Instrument which is not a person to which any of Condition 8.10(a) to Condition 8.10(g) applies; and

(k) for the purpose of this Condition 8.10, none of the Issuer, MGL, any Sale Agent or any other person owes any obligations or duties to the Subordinated Debt Instrument Holders in relation to the price at which MGL Ordinary Shares are sold or has any liability for any loss suffered by a Subordinated Debt Instrument Holder as a result of the sale of MGL Ordinary Shares.

9 Payments

9.1 Payments - Subordinated Bearer Debt Instruments

9.1.1 Payment of amounts other than interest

Payment of amounts (other than interest) due in respect of Subordinated Bearer Debt Instruments will be made against presentation and surrender of the Subordinated Debt Instrument, at the specified office of the I&P Agent.

9.1.2 Payment of amounts in respect of interest on Subordinated Bearer Debt Instruments

Payment of amounts due in respect of interest on Subordinated Bearer Debt Instruments will be made:

(a) in the case of a Subordinated Debt Instrument without Coupons attached thereto at the time of its initial delivery, against presentation of the relevant Subordinated Debt Instrument at the specified office of the I&P Agent outside (unless Condition 9.1.3 applies) the United States; and

(b) in the case of a Subordinated Debt Instrument delivered with Coupons attached thereto at the time of its initial delivery, against presentation and surrender of the relevant Coupon or, in the case of interest due otherwise than on a scheduled Interest Payment Date, against presentation of the relevant Subordinated Bearer Debt Instrument, in either case at the specified office of the I&P Agent outside (unless Condition 9.1.3 applies) the United States.

9.1.3 Payment at specified office in the United States

Except as provided below, payment of amounts due in respect of interest on Subordinated Bearer Debt Instruments and exchanges of Talons for Coupon sheets in accordance with Condition 9.1.4 will not be made at any specified office of the I&P Agent in the United States. Notwithstanding the foregoing, if any amount of principal and/or interest in respect of this Subordinated Debt Instrument is payable in U.S. Dollars, such U.S. Dollar payments of principal and/or interest in respect of this Subordinated Debt Instrument will be made at the specified office of the I&P Agent in the United States if:

(a) the Issuer has appointed an I&P Agent with specified offices outside the United States with the reasonable expectation that such agent would be able to make payment in U.S. Dollars at such specified offices outside the United States of the full amount of principal and interest on the Subordinated Debt Instruments in the manner provided above when due;

(b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. Dollars; and

(c) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

If paragraphs (a) and (b) apply, the Issuer shall forthwith appoint a paying agent with a specified office in New York City.

9.1.4 Unmatured Coupons and unexchanged Talons

Each Subordinated Bearer Debt Instrument initially delivered with Coupons attached thereto should be presented and surrendered for final redemption together with all unmatured Coupons and Talons appertaining thereto (if any), failing which:

(a) in the case of Subordinated Bearer Debt Instruments which are Subordinated Fixed Rate Debt Instruments (and unless otherwise specified in the relevant Pricing Supplement), the amount of any missing unmatured Coupons (excluding, for this purpose, but without prejudice to paragraph (c) below, Talons) will be deducted from the amount otherwise payable on such final redemption. The amount so deducted will be paid against surrender of the relevant Coupon at the specified office of the I&P Agent at any time within five years of the Relevant Date applicable to payment of such final redemption amount. The "**Relevant Date**" is the earlier of:

(i) the date on which all amounts due in respect of the Subordinated Debt Instrument have been paid; and

(ii) the date on which the full amount of the moneys payable has been received by the I&P Agent, in the case of a Subordinated Bearer Debt Instrument, or the Registrar, in the case of a Subordinated Registered Debt Instrument, and notice to that effect has been given to the Subordinated Debt Instrument Holders in accordance with Condition 19;

(b) in the case of Subordinated Bearer Debt Instruments which are Subordinated Floating Rate Debt Instruments (or otherwise where specified in the relevant Pricing Supplement), all unmatured Coupons (excluding, for this purpose, but without prejudice to paragraph (c) below, Talons) relating to such Subordinated Bearer Debt Instruments (whether or not attached) shall become void and no payment shall be made thereafter in respect of them;

(c) in the case of Subordinated Bearer Debt Instruments initially delivered with Talons attached thereto, all unmatured Talons (whether or not surrendered therewith) shall become void and no exchange for Coupons shall be made thereafter in respect of them; and

(d) in the case of Subordinated Bearer Debt Instruments which bear interest at a floating rate or rates, or where such a Subordinated Bearer Debt Instrument is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

The provisions of paragraph (a) of this Condition 9.1.4 notwithstanding, if any Subordinated Bearer Debt Instruments are issued with a Maturity Date and a fixed rate or fixed rates of interest such that on the presentation for payment of any such Subordinated Bearer Debt Instrument without any unmatured Coupons attached thereto or surrendered therewith, the amount required by paragraph (a) to be deducted would be greater than the amount otherwise due for payment, then, upon the due date for redemption of any such Subordinated Bearer Debt Instrument, such unmatured Coupons (whether

or not attached) shall become void (and no payment shall be made in respect thereof) as shall be required so that, upon application of the provisions of paragraph (a) in respect of such Coupons as have not so become void, the amount required by paragraph (a) to be deducted would not be greater than the amount otherwise due for payment. Where the application of the foregoing sentence requires some but not all of the unmatured Coupons relating to a Subordinated Bearer Debt Instrument to become void, the I&P Agent shall determine which unmatured Coupons are to become void, and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.

9.1.5 Exchange of Talons

In relation to Subordinated Bearer Debt Instruments initially delivered with Talons attached thereto, on or after the due date for the payment of interest on which the final Coupon comprised in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of the I&P Agent outside (unless Condition 9.1.3 applies) the United States in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 12 below. Each Talon shall, for the purpose of these Conditions, be deemed to mature on the due date for payment of interest on which the final Coupon comprised in the relative Coupon sheet matures.

9.2 Payments - Subordinated Registered Debt Instruments

9.2.1 Payment of principal in respect of Subordinated Registered Debt Instruments

Subject to Condition 9.2.4 in the case of Australian Domestic Notes, payment of principal (which for this purpose shall include any final redemption amount) due in respect of Subordinated Registered Debt Instruments will be made to the Subordinated Debt Instrument Holder (or, in the case of joint Subordinated Debt Instrument Holders, the first named) as appearing in the Register as at opening of business (local time in the place of the specified office of the Registrar or the specified office of the Transfer Agent) on the fifteenth (eighth, if the specified office of the Registrar or the specified office of the Transfer Agent is located in Sydney or Melbourne) Relevant Banking Day before the due date for such payment and (if in certificated form) against presentation and, save in the case of partial payment of the amount due upon final redemption by reason of insufficiency of funds, surrender of the relevant certificate at the specified office of the Registrar or the specified office of the Transfer Agent.

9.2.2 Payment of interest in respect of Subordinated Registered Debt Instruments

Subject to Condition 9.2.4 in the case of Australian Domestic Notes, payment of interest due in respect of Subordinated Registered Debt Instruments will be paid to the Subordinated Debt Instrument Holder (or, in the case of joint Subordinated Debt Instrument Holders, the first named) as appearing in the Register as at opening of business (local time in the place of the specified office of the Registrar or the specified office of the Transfer Agent) on the fifteenth (eighth, if the specified office of the Registrar or the specified office of the Transfer Agent is located in Sydney or Melbourne) Relevant Banking Day before the due date for such payment ("**Record Date**"), provided that, for so long as the Subordinated Registered Debt Instruments are represented by a Subordinated Global Debt Instrument, the "**Record Date**" shall be the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment where "**Clearing System Business Day**" means a day on which the relevant clearing system is open for business.

9.2.3 Manner of payments pursuant to Condition 9.2.2

Notwithstanding the provisions of Condition 9.4 but subject to Condition 9.2.4 in the case of Australian Domestic Notes, payments in respect of Subordinated Registered Debt Instruments pursuant to Condition 9.2.2 will be made by cheque and posted to the address (as recorded in the Register) of the Subordinated Debt Instrument Holder (or, in the case of joint Subordinated Debt

Instrument Holders, the first-named) on the relevant due date for payment unless prior to the relevant Record Date the Subordinated Debt Instrument Holder (or, in the case of joint Subordinated Debt Instrument Holders, the first-named) has applied to the Registrar and the Registrar has acknowledged such application for payment to be made to a designated account in the relevant currency.

9.2.4 Payments in respect of Australian Domestic Notes

Monies payable by the Issuer in respect of an Australian Domestic Note shall be paid:

(a) in the case of a payment of interest, to the holder appearing in the Australian Register at the close of business on the Record Date; and

(b) in the case of a payment of principal, to the holder appearing in the Australian Register at 10.00 a.m. (Sydney time) on the date which is fixed for payment.

In the case of Australian Domestic Notes that are Subordinated Registered Debt Instruments in Austraclear, subject to all applicable fiscal or other laws and regulations, payments in respect of each such Subordinated Debt Instrument will be made by crediting on the relevant payment date the amount then due to the account of the holder in respect of that such Subordinated Debt Instrument in accordance with the Austraclear Regulations.

In the case of Australian Domestic Notes that are not held in the Austraclear System, payments in respect of each Subordinated Debt Instrument will be made by crediting on the relevant payment date the amount then due to an account previously notified to the Issuer and the Australian Registrar by the holder in respect of that Subordinated Debt Instrument. If the holder has not notified the Issuer and the Australian Registrar of such an account by the time specified in paragraph (a) or (b) above (as the case may be), payments in respect of the relevant Subordinated Debt Instrument will be made by cheque dispatched by post on the relevant payment date at the risk of the Subordinated Debt Instrument Holder. Cheques despatched to the nominated address of a holder will in such cases be deemed to have been received by the holder on the relevant payment date and no further amount will be payable by the Issuer in respect of the relevant Subordinated Debt Instrument as a result of payment not being received by the holder on the due date.

9.3 Payment due on a non-Payment Business Day

If the due date for payment of the Redemption Amount, interest or any other amount due in respect of any Subordinated Debt Instrument is not a Payment Business Day, then the Subordinated Debt Instrument Holder will not be entitled to payment of such amount until the next day which is a Payment Business Day and no further payment on account of principal or interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Conditions, in which event interest shall continue to accrue as provided in Condition 5.5(d).

9.4 Payments - general provisions

Subject to Condition 9.2.3, payments of amounts due (whether principal, redemption amount, interest or otherwise) in respect of Subordinated Debt Instruments will be made as follows:

(a) payments in a Specified Currency other than Euro will be made by transfer to an account in the relevant Specified Currency (which, in the case of a payment in Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or by a cheque in such Specified Currency drawn on, a bank (which, in the case of a payment in Yen to a non-resident of Japan, shall be an authorised foreign exchange bank) in the principal financial centre of the country of such Specified Currency, provided however that no payment may be made by transfer of funds to an account maintained in the United States or by cheque mailed to an address in the United States;

(b) payments in respect of Subordinated Definitive Debt Instruments in Euro will be made by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee or at the option of the payee, by a Euro cheque.

Payments will, without prejudice to the provisions of Condition 10, be subject in all cases to any applicable fiscal or other laws, regulations and directives and the administrative practices and procedures of fiscal and other authorities in relation to tax, anti-money laundering and other requirements which may apply to payments of amounts due (whether principal, redemption amount, interest or otherwise) in respect of Subordinated Debt Instruments.

9.5 Interpretation of Principal and Interest

Any reference in these Conditions to principal in respect of the Subordinated Debt Instruments shall be deemed to include, as applicable the Redemption Amount and any Additional Amounts which may be payable with respect to principal under Condition 10.

Any reference in these Conditions to interest in respect of the Subordinated Debt Instruments shall be deemed to include, as applicable, any Additional Amounts which may be payable with respect to interest under Condition 10.

10 Taxation

All payments by the Issuer (in respect of principal, redemption amount or interest) in respect of the Subordinated Debt Instruments or Coupons will 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 ("**Taxes**") imposed or levied by or on behalf of Australia or any political subdivision thereof or any authority therein or thereof having power to tax or, in the case of Subordinated Debt Instruments issued by the Issuer through its London Branch or its Singapore Branch, Taxes imposed or levied by or on behalf of the country in which such branch is located or any political subdivision thereof or any authority therein or thereof having power to tax, or Taxes imposed or levied by or on behalf of the United States or any political subdivision thereof or any authority therein or thereof having the power to tax, unless in each case such withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts ("**Additional Amounts**") as may be necessary in order that the net amounts received by the Subordinated Debt Instrument Holders and Couponholders after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in respect of the Subordinated Debt Instruments or, as the case may be, Coupons in the absence of such withholding or deduction; except that no Additional Amounts are payable in relation to any payment in respect of any Subordinated Debt Instrument or Coupon:

(a) to, or to a third party on behalf of, a Subordinated Debt Instrument Holder who is liable to such Taxes in respect of such Subordinated Debt Instrument or Coupon by reason of his having some connection with Australia or the country in which such branch is located other than the mere holding of such Subordinated Debt Instrument or Coupon or receipt of principal or interest in respect thereof or who could have lawfully avoided (but has not so avoided) such liability by providing or procuring that any third party provides the Subordinated Debt Instrument Holder's TFN and/or ABN or evidence that the Subordinated Debt Instrument Holder is not required to provide a TFN and/or ABN to the Issuer or, in the case of Subordinated Debt Instruments issued by the Issuer through its London Branch or its Singapore Branch, satisfies similar requirements or otherwise provides details of the Subordinated Debt Instrument Holder's name and address to the Issuer;

(b) to, or to a third party on behalf of, a Subordinated Debt Instrument Holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that

any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the Subordinated Debt Instrument is presented for payment;

(c) where the Subordinated Debt Instrument or Coupon is presented for payment more than 30 days after the Tax Relevant Date except to the extent that a Subordinated Debt Instrument Holder would have been entitled to Additional Amounts on presenting the same for payment on the last day of the period of 30 days assuming, whether or not such is in fact the case, that day to have been a Business Day;

(d) to, or to a third party on behalf of, a Subordinated Debt Instrument Holder who is liable to the Taxes in respect of the Subordinated Debt Instrument or Coupon by reason of the Subordinated Debt Instrument Holder being an associate of the Issuer for the purposes of section 128F(9) of the Australian Tax Act;

(e) in a case where the Issuer receives a notice or direction under section 260-5 of Schedule 1 to the Taxation Administration Act 1953 (Cth) of Australia, section 255 of the Australian Tax Act or any analogous provisions, any amounts paid or deducted from sums payable to a Subordinated Debt Instrument Holder by the Issuer in compliance with such notice or direction on account of any Taxes or charges payable by the Issuer;

(f) where such withholding or deduction is due to Taxes imposed or levied by, or on behalf of, the United States, or any political subdivision thereof or any authority therein or thereof having power to tax under the United States;

(g) any combination of paragraphs (a) through (f) above; or

(h) in such other circumstances as may be specified in the relevant Pricing Supplement.

Notwithstanding any other provision herein, any amounts to be paid in respect of the Subordinated Debt Instruments or Coupons will be paid net of any FATCA Withholding. Neither the Issuer nor any other person will be required to pay any Additional Amounts in respect of FATCA Withholding.

11 Events of Default

11.1 Events of Default

An "Event of Default" occurs in relation to a Subordinated Debt Instrument if:

(a) either:

(i) the Issuer fails to pay any part of the Redemption Amount in respect of the Subordinated Debt Instrument of that Series within 14 days of the relevant due date; or

(ii) the Issuer fails to pay any amount of interest in respect of the Subordinated Debt Instruments of that Series within 30 days of the relevant due date,

provided that, if the Solvency Condition is not satisfied then the Issuer is under no obligation to make any payment and accordingly no amount is due and the Event of Default described in this Condition 11.1(a) cannot occur (a "**Payment Default**"); or

(b) either:

(i) an order is made by a court of competent jurisdiction in Australia (other than an order successfully appealed or permanently stayed within 60 days); or

(ii) an effective resolution is passed,

for the Winding-Up of the Issuer in Australia, in each case other than in connection with a scheme of amalgamation or reconstruction not involving the bankruptcy or insolvency of the Issuer (a "**Winding-Up Default**").

11.2 Notification

If an Event of Default occurs in relation to a Subordinated Debt Instrument, the Issuer must promptly after becoming aware of it notify the Subordinated Debt Instrument Holders of the occurrence of the Event of Default, specifying whether it is a Payment Default or a Winding-Up Default.

11.3 Enforcement

If an Event of Default occurs and is continuing:

(a) in the case of a Payment Default, any Subordinated Debt Instrument Holder may bring Proceedings:

(i) to recover any amount then due and payable but unpaid on that Subordinated Debt Instrument (subject to the Issuer being able to make the payment and remain solvent);

(ii) to obtain an order for specific performance of any other obligation in respect of that Subordinated Debt Instrument; or

(iii) for the Winding-Up of the Issuer in Australia; and

(b) in the case of a Winding-Up Default, in addition to taking any of the actions specified in Condition 11.3(a)(i) or (ii), a Subordinated Debt Instrument Holder may declare by notice to the Issuer that the nominal amount of that Subordinated Debt Instrument is payable on a date specified in the notice and, subject to Condition 4, may prove in the Winding-Up of the Issuer for that amount.

11.4 No other remedies

No Subordinated Debt Instrument Holder may exercise any other remedies against the Issuer or MGL (including any right to sue for damages which has the same economic effect as acceleration) as a consequence of an Event of Default or other default except as specified in this Condition 11 or as otherwise expressly provided in these Conditions (but this does not affect the Subordinated Debt Instrument Holders' rights, subject to these Conditions and the Deed of Covenant and the Australian Note Deed Poll (as applicable), to seek an injunction or order for specific performance in respect of an obligation).

12 Prescription

Claims against the Issuer for payment in respect of the Subordinated Debt Instruments or Coupons (which, for this purpose, shall not include Talons) will be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date.

13 Replacement of Subordinated Debt Instruments, Coupons and Talons

Should any Subordinated Debt Instrument (other than an Australian Domestic Note), Coupon, Talon or certificate be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the I&P Agent (in the case of Subordinated Bearer Debt Instruments, Coupons and Talons) or the relevant Registrar (in the case of Subordinated Registered Debt Instruments in certified form), subject to all applicable laws, upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence, security, indemnity and otherwise as the Issuer or the I&P Agent may require. Mutilated or defaced Subordinated Debt Instruments, Coupons or Talons must be surrendered before replacements will be issued.

14 Currency Indemnity

The Specified Currency is, unless otherwise specified in the relevant Pricing Supplement, the sole currency of account and payment for all sums payable by the Issuer in respect of the Subordinated Debt Instruments. Any amount received or recovered in a currency other than the Specified Currency (whether as a result of, or on the enforcement of, a judgment or order of a court of any jurisdiction or otherwise) by any Subordinated Debt Instrument Holder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the Specified Currency which such Subordinated Debt Instrument Holder is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that amount is less than the amount in the Specified Currency expressed to be due to any Subordinated Debt Instrument Holder in respect of such Subordinated Debt Instrument the Issuer shall indemnify each such Subordinated Debt Instrument Holder against any cost of making such purchase which is reasonably incurred. Subject to Condition 4, these indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Subordinated Debt Instrument Holder and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due in respect of the Subordinated Debt Instruments or any judgment or order. Any such loss aforesaid shall be deemed to constitute a loss suffered by the relevant Subordinated Debt Instrument Holder and no proof or evidence of any actual loss will be required by the Issuer.

15 Further Issues

The Issuer may from time to time without the consent of the Subordinated Debt Instrument Holders (or any of them) create and issue further Subordinated Debt Instruments forming a single Series with any existing Subordinated Debt Instruments either having the same terms and conditions as such Subordinated Debt Instruments in all respects or in all respects except in connection with the Issue Date, Interest Commencement Date and the amount of the first payment of interest (if any) and so that the same shall be consolidated and form a single Series with the outstanding Subordinated Debt Instruments, provided that the requirements of APRA that the Subordinated Debt Instruments be eligible to be treated as Tier 2 Capital are met.

16 Agents

The Issuer reserves the right at any time to terminate the appointment of any Agent or to appoint additional or other Agents, provided that it will:

(a) at all times maintain an I&P Agent;

(b) if and for so long as any Subordinated Debt Instruments are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, and the rules of

the relevant listing authority, stock exchange and/or quotation system so require, at all times maintain a paying agent and a Transfer Agent (in the case of Subordinated Registered Debt Instruments) in such place as may be required by such listing authority, stock exchange and/or quotation system;

(c) if and for so long as there are any Subordinated Registered Debt Instruments outstanding, at all times maintain a Euro Registrar (in the case of Subordinated Debt Instruments other than Australian Domestic Notes) or an Australian Registrar (in the case of Australian Domestic Notes).

Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Subordinated Debt Instrument Holders in accordance with Condition 19.

17 Exchange of Talons

In the case of Subordinated Bearer Debt Instruments, on and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the I&P Agent or any other paying agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Subordinated Debt Instrument to which it appertains) a further Talon, subject to the provisions of Condition 12. Each Talon shall, for the purposes of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the Coupon sheet in which that Talon was included on issue matures.

18 Modification and waiver

18.1 Meetings of Subordinated Debt Instrument Holders

The Euro Agency Agreement, the Australian Note Deed Poll and the Deed of Covenant (as applicable) contain provisions for convening meetings (including by way of conference call or by use of a videoconference platform) of the Subordinated Debt Instrument Holders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of any of these Conditions or any of the provisions of the Euro Agency Agreement, the Australian Note Deed Poll, the Deed of Covenant or any undertaking given by MGL in connection with an Exchange ("**MGL Deed of Undertaking**") (as applicable). An Extraordinary Resolution passed at any meeting of the Subordinated Debt Instrument Holders will be binding on all Subordinated Debt Instrument Holders, whether or not they are present at the meeting, and on all Couponholders.

18.2 Modification and Waiver

The Issuer may, without the consent of the Subordinated Debt Instrument Holders or Couponholders, make any modification of any of these Conditions or any of the provisions of the Euro Agency Agreement, the Australian Note Deed Poll, the Deed of Covenant and any MGL Deed of Undertaking (as applicable) which is not materially prejudicial to the interests of the Subordinated Debt Instrument Holders or any modification which is of a formal, minor or technical nature or to correct a manifest error, to cure any ambiguity or defect or to comply with mandatory provisions of the law.

Notwithstanding the foregoing, no consent of the Subordinated Debt Instrument Holders or Couponholders shall be required in order to make any amendments to the Conditions and/or the Euro Agency Agreement as the Issuer may deem necessary or desirable to give effect to the provisions as provided for in Condition 5.3(c).

The Issuer will not make any modification to the conditions of any Subordinated Debt Instrument which impact upon the eligibility of the Subordinated Debt Instrument for inclusion as part of the regulatory capital of the Issuer for the purposes of any prudential standard, prudential regulation or other requirement of APRA which is applicable to the Issuer without the prior written consent of APRA having been obtained.

18.3 No variation which may affect Tier 2 Capital eligibility

The prior written approval of APRA is required in respect of any variation in respect of the Deed of Covenant, the Australian Note Deed Poll or any MGL Deed of Undertaking (as applicable) or these Conditions where such variation may affect the eligibility of the Subordinated Debt Instruments as Tier 2 Capital.

18.4 Notification

Any modification, waiver or authorisation shall be binding on the Subordinated Debt Instrument Holders and the Couponholders and any modification shall be notified by the Issuer to the Subordinated Debt Instrument Holders as soon as practicable thereafter in accordance with Condition 19.

19 Notices

19.1 Subordinated Bearer Debt Instruments

Subject to Conditions 19.3 and 19.4, all notices regarding Subordinated Bearer Debt Instruments shall be published in a leading English language daily newspaper of general circulation in the place specified in the relevant Pricing Supplement. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all the required newspapers.

Couponholders shall be deemed for all purposes to have notice of any notice given to Subordinated Debt Instrument Holders in accordance with this Condition.

Notices to be given by any Subordinated Bearer Debt Instrument Holder shall be in writing and given by lodging the same, together with the relative Subordinated Bearer Debt Instrument or Subordinated Bearer Debt Instruments with the Issuer.

19.2 Subordinated Registered Debt Instruments

Subject to Conditions 19.3, 19.4, 19.5 and 19.6, all notices regarding the Subordinated Registered Debt Instruments will be valid if sent by first class mail (or equivalent) or (if posted to an overseas address) by air mail to the Subordinated Registered Debt Instrument Holder (or, in the case of joint Subordinated Debt Instrument Holders, to the first-named in the Register) at their respective addresses as recorded in the Register, and will be deemed to have been validly given on the fourth day after the date of such mailing or, if posted from another country, on the fifth such day.

Notices to be given by any Subordinated Registered Debt Instrument Holder shall be in writing and given by lodging the same, together with the relative Subordinated Registered Debt Instrument or Subordinated Registered Debt Instruments with the Issuer and (if certificated) with the Registrar.

19.3 Listed Subordinated Debt Instruments

So long as the Subordinated Debt Instruments are listed on a stock exchange, notices shall be published in accordance with the rules of that stock exchange (and without need for publication of any such notice as required under Condition 19.1 or Condition 19.2).

19.4 Subordinated Global Debt Instruments

So long as the Subordinated Debt Instruments are represented by a Subordinated Global Debt Instrument and the Subordinated Global Debt Instrument is held on behalf of Euroclear and Clearstream (or any other clearing system), all notices regarding the Subordinated Debt Instrument may be given to Euroclear, Clearstream, or such other clearing system, as the case may be, or otherwise to the holder of the Subordinated Global Debt Instrument, without need for publication of any such notice as required under Condition 19.1 or Condition 19.2 (as applicable). Any such notice will be deemed to have been given on the date on which the notice was given.

19.5 Subordinated Debt Instruments listed on ASX

So long as Subordinated Debt Instruments are quoted on ASX, the Issuer may give notice to holders of such Subordinated Debt Instruments by publication of an announcement on ASX. Any such notice will be deemed to have been given on the date of publication of the announcement.

19.6 Subordinated Registered Debt Instruments in Austraclear

So long as Subordinated Debt Instruments are Subordinated Registered Debt Instruments in Austraclear, notices may be given by delivery to the Austraclear System for communication through the Austraclear System to the persons shown in its records as having interests therein. Such notices are taken to be received by the holder of the Subordinated Registered Debt Instruments in Austraclear on the fourth Business Day after delivery to the Austraclear System.

20 Governing law and jurisdiction

The Subordinated Debt Instruments and the Coupons are governed by, and shall be construed in accordance with, New South Wales law.

The courts of New South Wales are to have jurisdiction to settle any disputes which may arise out of or in connection with the Subordinated Debt Instruments and accordingly any legal action or proceedings arising out of or in connection with the Subordinated Debt Instruments ("**Proceedings**") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of each Subordinated Debt Instrument Holder and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

21 Interpretations and definitions

21.1 Interpretation

(a) A reference to a statute, ordinance, directive, code, law, prudential standard or the rules of any stock exchange includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them and references to law includes statutes, ordinances, codes, directives or common law and principles of equity having general application.

(b) A reference to the "Corporations Act" as it relates to the Issuer or MGL is to that Act as may be modified in relation to the Issuer or MGL by the Australian Securities and Investments Commission.

(c) Any reference to any requirements of APRA or any other prudential regulatory requirements in these Conditions will apply or be operative with respect to the Issuer only if the Issuer is an entity, or the holding company of an entity, or is a direct or indirect subsidiary of a holding company, which is subject to regulation and supervision by APRA at the relevant time.

(d) Any requirement for APRA's consent or approval in any provision of these Conditions will apply only if APRA requires that such consent or approval be given at the relevant time.

(e) Where, under these Conditions, APRA's approval is required for any act to be done or not done, that term does not imply that APRA's approval has been given as at the Issue Date.

(f) Nothing in these Conditions shall confer rights on the holder of any Relevant Securities or any other person other than the Subordinated Debt Instrument Holders.

(g) A reference to a term defined by the ASX Listing Rules or the ASX Settlement Operating Rules shall, if that term is replaced in those rules, be taken to be a reference to the replacement term.

(h) A reference to any term defined by APRA shall, if that term is replaced or superseded in any of APRA's applicable prudential regulatory requirements or standards, be taken to be a reference to the replacement or equivalent term.

(i) If the principal securities exchange on which MGL Ordinary Shares are listed becomes an exchange other than ASX, unless the context otherwise requires, a reference to ASX shall be read as a reference to that principal securities exchange and a reference to the ASX Listing Rules, ASX Settlement Operating Rules or any term defined in any such rules, shall be read as a reference to the corresponding rules of that exchange or corresponding defined terms in such rules (as the case may be).

21.2 Definitions

In these Conditions, the following terms have the following meanings:

"**ABN**" means Australian Business Number.

"**Additional Amount**" has the meaning given in Condition 10.

"**Additional Business Centre**" means any city specified as such in the relevant Pricing Supplement.

"**Adjustment Notice**" has the meaning given in Condition 8.8.

"**Agents**" means the I&P Agent, any Transfer Agent, any Euro Registrar and any other agents appointed by the Issuer in respect of Subordinated Debt Instruments other than Australian Domestic Notes, any successors thereto in such capacity and any additional or substitute agents.

"**Applicable Shareholding Law**" means any law in force in Australia or any relevant foreign jurisdiction which limits or restricts the number of ordinary shares in the Issuer, MGL or any of their respective Related Bodies Corporate in which a person may have an interest or over which it may have a right or power, including, without limitation, Chapter 6 of the Corporations Act, the Foreign Acquisitions and Takeovers Act 1975 (Cth), the Financial Sector (Shareholdings) Act 1998 (Cth) and the Competition and Consumer Act 2010 (Cth).

"**Appointed Person**" has the meaning given in Condition 7.6.

"**Approved Nominee**" means in connection with an Exchange, a subsidiary of MGL:

(a) nominated by MGL; and

(b) which is a holding company of the Issuer on the applicable Non-Viability Date,

which has been approved by APRA prior to the Non-Viability Date to be an Approved Nominee for the purposes of the Exchange.

"**APRA**" means the Australian Prudential Regulation Authority (ABN 79 635 582 658) or any successor body responsible for prudential regulation of the Issuer.

"**ASX**" means ASX Limited (ABN 98 008 624 691) or the securities market operated by it, as the context requires.

"**ASX Listing Rules**" means the listing rules of ASX as amended, varied or waived (whether in respect of MGL or generally) from time to time.

"**ASX Settlement Operating Rules**" means the settlement operating rules of ASX as amended, varied or waived (whether in respect of MGL or generally) from time to time.

"**ASX Trading Days**" means a Business Day within the meaning of the ASX Listing Rules on which trading in MGL Ordinary Shares takes place.

"**Attributable Proceeds**" means in respect of a holder of a Subordinated Debt Instrument to whom Condition 8.10(g) applies, an amount equal to:

(a) the net proceeds of the sale of such MGL Ordinary Shares, actually received after deducting any applicable brokerage, stamp duties and other taxes (including, without limitation, any FATCA Withholding), charges and expenses, divided by the number of such MGL Ordinary Shares issued and sold,

multiplied by:

(b) the number of MGL Ordinary Shares issued and sold in accordance with Condition 8.10(g) in respect of that Subordinated Debt Instrument.

"**Austraclear**" means Austraclear Limited (ABN 94 002 060 773), as operator of the Austraclear System.

"**Austraclear Regulations**" means the regulations known as the "Regulations and Operating Manual" established by Austraclear as amended, varied or waived (whether in respect of the Issuer or generally) from time to time to govern the use of the Austraclear System.

"**Austraclear System**" means the system operated by Austraclear for holding securities and electronic recording and settling of transactions in those securities between members of that system.

"**Australian Note Deed Poll**" has the meaning given in the preamble to the Conditions.

"**Australian Domestic Notes**" means any Subordinated Debt Instrument from time to time issued under the Programme as specified as such in the relevant Pricing Supplement, including but not limited to any Subordinated Registered Debt Instrument in Austraclear.

"**Australian Register**" means the register of holders of Australian Domestic Notes established and maintained by or on behalf of the Issuer.

"**Australian Registrar**" has the meaning given in the preamble to the Conditions.

"**Australian Registry Agreement**" has the meaning given in the preamble to the Conditions.

"**Australian Tax Act**" means the Income Tax Assessment Act 1936 (Cth) of Australia (as amended).

"**Banking Act**" means the Banking Act 1959 of Australia.

"**Banking Day**" means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business.

"**Business Day**" means:

(a) in the case of a Specified Currency other than Euro or U.S. Dollars, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in (unless otherwise agreed between the Issuer and the I&P Agent, in the case of a Subordinated Bearer Debt Instrument, or the Registrar, in the case of a Subordinated Registered Debt Instrument) the principal financial centre for that currency which, if the currency is Australian Dollars, shall be Sydney; and/or

(b) in the case of U.S. Dollars, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in New York City (unless otherwise agreed between the Issuer, each relevant Agent and Registrar); and/or

(c) in the case of Euro, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in (unless otherwise agreed between the Issuer and the I&P Agent, in the case of a Subordinated Bearer Debt Instrument, or the Registrar, in the case of a Subordinated Registered Debt Instrument) London and a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer System or any successor or replacement for that system ("**T2**") is open; and/or

(d) in the case of a Specified Currency and/or one or more Additional Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the Specified Currency in (unless otherwise agreed between the Issuer and the I&P Agent, in the case of a Subordinated Bearer Debt Instrument, or the Registrar, in the case of a Subordinated Registered Debt Instrument) in the Additional Business Centre(s) or, if no currency is specified, generally in each of the Additional Business Centres so specified; and/or

(e) other than in the case of Australian Domestic Notes, if a Subordinated Debt Instrument is to be issued or paid on such Business Day, a day on which commercial banks and foreign exchange markets settle payments in (unless otherwise agreed between the Issuer and the I&P Agent, in the case of a Subordinated Bearer Debt Instrument, or the Registrar, in the case of a Subordinated Registered Debt Instrument) Hong Kong and a day on which each relevant Clearing System is operating.

"**Calculation Agent**" means:

(a) in the case of Australian Domestic Notes, the Issuer; and

(b) in all other cases, Citibank, N.A., London Branch or any other person appointed as calculation agent by the Issuer, provided that if there is a Benchmark Disruption Event, the Issuer will appoint another person as calculation agent.

"**CHESS**" means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited (ABN 49 008 504 532) or any system that replaces it relevant to MGL Ordinary Shares.

"**Clearing System**" means Euroclear Bank SA/NV ("**Euroclear**"), Clearstream Banking S.A. ("**Clearstream**") and/or any other clearing system specified in the relevant Pricing Supplement.

"**Clearing System Holder**" means a Subordinated Debt Instrument Holder that is the operator of a clearing system or depository, or a nominee for a depository or a clearing system (other than the Austraclear System).

"**Clearing System Participants**" has the meaning given in Condition 8.10.

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Control**" has the meaning given in the Corporations Act.

"**Corporations Act**" means the Corporations Act 2001 (Cth).

"**Couponholders**" has the meaning given in the preamble to the Conditions.

"**Coupons**" has the meaning given in the preamble to the Conditions.

"**Cum Value**" has the meaning given in Condition 8.2.

"**Daily VWAP**" means the volume weighted average sale price of MGL Ordinary Shares sold on ASX on a day but does not include any "Crossing" transacted outside the "Open Session State", or any "Special Crossing" transacted at any time, each as defined in the ASX Settlement Operating Rules, or any overseas trades or trades pursuant to the exercise of options over MGL Ordinary Shares.

"**Deed of Covenant**" has the meaning given in the preamble to the Conditions.

"**Early Redemption Date**" has the meaning given in Condition 6.2.

"**Early Redemption Notice**" has the meaning given in Condition 6.2.

"**Encumbrance**" means any mortgage, pledge, charge, lien, assignment by way of security, hypothecation, security interest, title retention, preferential right or trust arrangement, any other security agreement or security arrangement (including any security interest under the Personal Property Securities Act 2009 (Cth)) and any other arrangement of any kind having the same effect as any of the foregoing.

"**Equal Ranking Obligations**" means any instrument that ranks in a Winding-Up of the Issuer as the most junior claim in the Winding-Up of the Issuer ranking senior to Junior Ranking Obligations and includes the Subordinated Debt Instruments any other instrument issued as a Relevant Tier 2 Security or which ranks or is expressed to rank equally with the Subordinated Debt Instruments of any Series or any of the Issuer's other Relevant Tier 2 Securities.

"**Euro Agency Agreement**" has the meaning given in the preamble to the Conditions.

"**Euro Agent**" has the meaning given in the preamble to the Conditions.

"**Euro Registrar**" has the meaning given in the preamble to the Conditions.

"**Euro Register**" means the register of holders of Subordinated Registered Debt Instruments (other than Australian Domestic Notes) established and maintained by or on behalf of the Issuer.

"**Exchange**" means, in respect of a Subordinated Debt Instrument and a Non-Viability Date, the automatic transfer of the holder's rights in relation to that Subordinated Debt Instrument in connection

with the allotment and issue of MGL Ordinary Shares in accordance with Condition 7 and Condition 8 and the performance of the Related Exchange Steps, and "**Exchanged**" has a corresponding meaning.

"**Exchange Amount**" means the outstanding nominal amount of any Subordinated Debt Instrument that is to be Exchanged on the Non-Viability Date.

"**Exchange Floor Price**" means 20 per cent. of the Issue Date VWAP (expressed as a Specified Currency Amount).

"**Exchange Number**" has the meaning given in Condition 8.1.

"**Exchanged Portion**" has the meaning given in Condition 7.7.

"Extraordinary Resolution" means:

(a) a resolution passed at a meeting duly convened and held in accordance with the provision of the Euro Agency Agreement or the Australian Note Deed Poll (as applicable) by a majority consisting of not less than 75 per cent. of the votes cast on such resolution; or

(b) a resolution in writing signed by or on behalf of the Subordinated Debt Instrument Holders of not less than 75 per cent. in principal amount of the Subordinated Debt Instruments of the Series for the time being outstanding.

"**FATCA**" means sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement).

"**FATCA Withholding**" means any deduction or withholding made for or on account of FATCA.

"**Final Broken Amount**" has the meaning given in the Pricing Supplement.

"**Foreign Holder**" means a registered holder of any Subordinated Debt Instrument whose address in the Register is a place outside Australia or who the Issuer or MGL otherwise believes may not be a resident of Australia.

"**Implementation Deed**" means the deed titled "Implementation Deed" entered into between, amongst others, MGL and the Issuer in respect of the Subordinated Debt Instruments on or about 20 December 2023.

"**I&P Agent**" means Citibank, N.A., London Branch in its capacity as issuing and paying agent, and any replacement of or successor to Citibank, N.A., London Branch in its capacity as such.

"**Initial Broken Amount**" has the meaning given in the Pricing Supplement.

"**Interest Amounts**" has the meaning given in Condition 5.1.

"**Interest Commencement Date**" has the meaning given in the preamble to the Conditions.

"**Interest Payment Date**" has the meaning given in Condition 5.5.

"**Interest Period**" has the meaning given in Condition 5.5.

"**Interest Rate**" has the meaning given in Condition 5.3.

"**Issue Date**" has the meaning given in the preamble to the Conditions.

"**Issue Date VWAP**" means, for a Series of Subordinated Debt Instruments, the VWAP during the 20 ASX Trading Days immediately preceding, but not including, the first date on which the Subordinated Debt Instruments of that Series were issued (expressed, where the Specified Currency of the Subordinated Debt Instruments is a currency other than Australian Dollars, as a Specified Currency Amount and in all cases rounded to the nearest Specified Currency Unit), as adjusted in accordance with Condition 8**.**

"**Issue Price**" has the meaning given in the preamble to the Conditions.

"**Issuer**" means Macquarie Bank Limited (ABN 46 008 583 542).

"**Issuer Level 1 Group**" means the Issuer and such other entities included from time to time in the calculation of the Issuer's capital ratios on a Level 1 basis (or its equivalent, in either case, as defined by APRA from time to time).

"**Issuer Level 2 Group**" means the Issuer and such other entities included from time to time in the calculation of the Issuer's capital ratios on a Level 2 basis (or its equivalent, in either case, as defined by APRA from time to time).

"**Junior Ranking Obligations**" means any instrument, present and future, issued by the Issuer which is issued as Tier 1 Capital (whether or not constituting Tier 1 Capital at the date of issue of the Subordinated Debt Instrument or at the time of commencement of any Winding-Up of the Issuer) or which ranks or is expressed to rank equally with the Issuer's Tier 1 Capital, and includes shares (other than a share issued as Tier 2 Capital) and any claims in respect of a shareholding, including the claims described in sections 563AA and 563A of the Corporations Act.

"**London Branch**" has the meaning given in the preamble to the Conditions.

"**Loss Absorption**" means any exchange for or conversion into ordinary shares or Writing-Off in respect of any Relevant Securities in accordance with their terms or by operation of law on the occurrence of a Non-Viability Event (including an Exchange or Write-Off of Subordinated Debt Instruments).

"**Macquarie Group**" means MGL and each entity it Controls.

"**Maturity Date**" has the meaning given in Condition 6.1.

"**Maximum Exchange Number**" has the meaning given in Condition 8.1.

"**MGL**" means Macquarie Group Limited (ABN 94 122 169 279).

"MGL Deed of Undertaking" has the meaning given in Condition 18.1.

"**MGL Ordinary Share**" means a fully paid ordinary share in the capital of MGL.

"**nominal amount**" has the meaning given in Condition 1.5.

"**Non-Viability Date**" has the meaning given in Condition 7.1.

"**Non-Viability Date VWAP"** means the VWAP during the VWAP Period (expressed, where the Specified Currency of the Subordinated Debt Instruments is a currency other than Australian Dollars, as a Specified Currency Amount).

"**Non-Viability Event**" has the meaning given in Condition 7.1.

"**Non-Viability Notice**" has the meaning given in Condition 7.3.

"**Optional Redemption Date**" has the meaning given in Condition 6.2.

"**Payment Business Day**" means, unless otherwise specified in the relevant Pricing Supplement, any day which is each of:

(a) in the case of Subordinated Debt Instruments where presentation and/or surrender of the relevant Subordinated Debt Instrument is required as a precondition of payment, a day on which commercial banks and foreign exchange markets settle payments in the relevant place of presentation and (in the case of a payment in Euro) on which banks are open for business and carrying out transactions in Euro in the jurisdiction in which the Euro account specified by the payee is located;

(b) in the case of Subordinated Debt Instruments which are not in the form of Australian Domestic Notes, a day on which commercial banks and foreign exchange markets settle payments in Hong Kong or such other place in which the specified office of the I&P Agent is from time to time located; and

(c) a Business Day.

"**Payment Default**" has the meaning given in Condition 11.1.

"**Proceedings**" has the meaning given in Condition 20.

"**Programme**" has the meaning given in the preamble to the Conditions.

"**Reclassification**" means a division, consolidation or reclassification of MGL's share capital (not involving any cash payment or other distribution or compensation to or by holders of MGL Ordinary Shares or to or by any entity in Macquarie Group).

"**Record Date**" has the meaning given in Condition 9.2.2.

"**Redemption Amount**" means, in respect of a Subordinated Debt Instrument, its outstanding nominal amount as at the date it is to be redeemed, together with accrued interest (if any) thereon.

"**Reduced Nominal Amount**" has the meaning given in Condition 7.7.

"**Reference Banks**" means the institutions specified as such in the relevant Pricing Supplement or, if none, four major banks selected by the Issuer in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Reference Rate.

"**Register**" means:

(a) in the case of Australian Domestic Notes, the Australian Register; and

(b) in all other cases, the register of Subordinated Registered Debt Instruments maintained by the Euro Registrar.

"**Registrar**" means:

(a) in the case of Australian Domestic Notes, the Australian Registrar; and

(b) in all other cases, the Euro Registrar.

"**Regulatory Event**" means:

(a) a law or regulation applicable in the Commonwealth of Australia or any State or Territory of Australia or any directive, order, standard, requirement, guideline or statement of APRA (whether or not having the force of law), which applies to the Issuer, MGL or any other member of the Macquarie Group (a "**Regulation**") is introduced, amended, clarified or changed or its application changed;

(b) an announcement is made that a Regulation will be introduced, amended, clarified or changed or its application changed; or

(c) a decision is made by any court or other authority interpreting, applying or administering any Regulation,

in each case, which event occurs or is effective on or after the Issue Date and was not expected by the Issuer as at the Issue Date (each such event a "**Change in Law**") and the Issuer determines that, as a result of that Change in Law:

(i) any of the Subordinated Debt Instruments are not eligible for inclusion as Tier 2 Capital for the Issuer Level 1 Group or the Issuer Level 2 Group;

(ii) additional requirements (including regulatory, capital, financial, operational or administrative requirements) in connection with the Subordinated Debt Instruments of the relevant Series would be imposed on the Issuer, MGL or any other member of the Macquarie Group which the Issuer determines, in its absolute discretion, might have a material adverse effect on the Issuer, MGL or any other member of the Macquarie Group or otherwise be unacceptable; or

(iii) that to have any of the Subordinated Debt Instruments outstanding would be unlawful or impractical or that the Issuer, MGL or any other member of the Macquarie Group would be exposed to a more than *de minimis* increase in its costs in connection with those Subordinated Debt Instruments.

"**Related Body Corporate**" has the meaning given in the Corporations Act.

"**Related Entity**" has the meaning given by APRA from time to time.

"**Related Exchange Steps**" has the meaning given in Condition 8.1(f).

"**Relevant Banking Day**" means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place where the specified office of the Registrar and the specified office of the Transfer Agent is located.

"**Relevant Date**" has the meaning given in Condition 9.1.4.

"**Relevant Financial Centre**" means the city specified as such in the relevant Pricing Supplement or, if none, the city most closely connected with the Reference Rate in the determination of the Calculation Agent.

"**Relevant Securities**" means the Relevant Tier 1 Securities and the Relevant Tier 2 Securities.

"**Relevant Securities Exchange**" means, for a Series of Subordinated Debt Instruments, any securities exchange, stock exchange and/or quotation system on which the Subordinated Debt Instruments of that Series are for the time being admitted to listing, trading and/or quotation.

"**Relevant Tier 1 Security**" means a security forming part of the Tier 1 Capital of the Issuer that is capable of being subject to Loss Absorption where a Non-Viability Event occurs.

"**Relevant Tier 2 Security**" means the Subordinated Debt Instruments and any other security forming part of the Tier 2 Capital of the Issuer that is capable of being subject to Loss Absorption where a Non-Viability Event occurs.

"**Remaining Portion**" has the meaning given in Condition 7.7.

"**Representative Amount**" means the amount so specified in the relevant Pricing Supplement or, if none, an amount that is representative for a single transaction in the relevant market at the relevant time.

"**Sale Agent**" means **each** person appointed by the Issuer to sell MGL Ordinary Shares in accordance with Condition 8.10, and includes an agent of **such** person.

"**Senior Creditors**" means all of the Issuer's creditors (present and future), including its depositors and general unsubordinated creditors, whose claims:

(a) are admitted in the Issuer's Winding-Up; and

(b) are not in respect of:

(i) an Equal Ranking Obligation; or

(ii) a Junior Ranking Obligation.

"**Singapore Branch**" has the meaning given in the preamble to the Conditions.

"**Series**" has the meaning given in the preamble to the Conditions.

"**Solvency Condition**" has the meaning given in Condition 4.2.

"**Specified Currency**" has the meaning given in Condition 1.6.

"**Specified Currency Amount**" means an amount converted into the Specified Currency at the spot rate of exchange for the purchase by MGL of that currency with Australian Dollars in the Sydney foreign exchange market on the VWAP Conversion Date determined by the Issuer in good faith having regard to the latest available market data;

"**Specified Currency Unit**" means:

(a) where the Specified Currency is Australian Dollars, U.S. Dollars, Singapore Dollars, Hong Kong Dollars, Euro or New Zealand Dollars, one cent in such currency;

(b) where the Specified Currency is Sterling, one pence;

(c) where the Specified Currency is Yen, one Yen; or

(d) such other unit as is specified in the relevant Pricing Supplement.

"**Specified Denomination**" has the meaning given in Condition 1.5.

"**Subordinated Bearer Debt Instrument**" has the meaning given in Condition 1.1.

"**Subordinated Debt Instrument**" has the meaning given in Condition 1.1.

"**Subordinated Debt Instrument Holder**" has the meaning given in Condition 2.3.

"**Subordinated Definitive Debt Instrument**" means a Subordinated Debt Instrument which is in definitive form.

"**Subordinated Fixed Rate Debt Instruments**" has the meaning given in Condition 5.2.

"**Subordinated Floating Rate Debt Instruments**" has the meaning given in Condition 5.3.

"**Subordinated Global Debt Instrument**" means a Subordinated Debt Instrument which is represented by a global note.

"**Subordinated Registered Debt Instrument**" has the meaning given in Condition 1.1.

"**Subordinated Registered Debt Instrument in Austraclear**" has the meaning given in Condition 1.1.

"**Talonholders**" has the meaning given in the preamble to the Conditions

"**Talons**" has the meaning given in the preamble to the Conditions.

"**Tax Act**" means:

(a) the Income Tax Assessment Act 1936 of Australia, the Income Tax Assessment Act 1997 of Australia or the Taxation Administration Act 1953 of Australia (and a reference to any section of the Income Tax Assessment Act 1936 of Australia includes a reference to that section as rewritten in the Income Tax Assessment 1997 of Australia);

(b) any other law setting the rate of income tax payable; and

(c) any regulation made under such laws.

"**Tax Event**" means the receipt by the Issuer of an opinion of competent tax counsel to the effect that, as a result of the introduction of, or amendment or clarification to, or change in, or change in the interpretation of (or an announcement that there will be an introduction of, amendment or clarification to or change in) a law or regulation by any legislative body, court, government agency or regulatory authority in Australia after the Issue Date, there is more than an insubstantial risk that:

(a) the Issuer would be required to pay any Additional Amounts in respect of Subordinated Debt Instruments of the relevant Series;

(b) Interest payments on the Subordinated Debt Instruments are not or may not be allowed as a deduction for the purposes of Australian income tax; or

(c) the Issuer or another member of the Macquarie Group is or will become exposed to more than a *de minimis* increase in its costs in relation to the Subordinated Debt Instruments through the imposition of any taxes, duties or other governmental charges,

provided that on the Issue Date the Issuer (or, in the case of paragraph (c) above, MGL) did not expect that the matters giving rise to the Tax Event would occur.

"**Tax Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the I&P Agent on or before the due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Subordinated Debt Instrument Holders in accordance with Condition 19.

"**Taxes**" has the meaning given in Condition 10.

"**TFN**" means tax file number.

"**Tier 1 Capital**" means "Tier 1 Capital" as defined by APRA from time to time.

"**Tier 2 Capital**" means "Tier 2 Capital" as defined by APRA from time to time.

"**Tranche**" has the meaning given in the preamble to the Conditions.

"**Transfer Agent**" has the meaning given in the preamble to the Conditions.

"**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands).

"**VWAP**" means, subject to any adjustment under Condition 8.2 or Condition 8.3, for a period or relevant number of days, the average of the Daily VWAPs of MGL Ordinary Shares sold on ASX during the relevant period or on the relevant days (such average being expressed, where the Specified Currency of the Subordinated Debt Instruments is a currency other than Australian Dollars, as a Specified Currency Amount, and in all cases rounded to the nearest Specified Currency Unit).

"**VWAP Conversion Date**" means:

(a) for the Issue Date VWAP, the ASX Trading Day immediately preceding the Issue Date; and

(b) for the Non-Viability Date VWAP, the ASX Trading Day immediately preceding the Non-Viability Date.

"**VWAP Period**" means, for the purposes of calculating the Non-Viability Date VWAP and the Exchange Number, the 5 ASX Trading Days immediately preceding, but not including, the Non-Viability Date.

"**Winding-Up**" means, with respect to an entity, the winding-up, liquidation, termination or dissolution of the entity, but does not include any winding-up, liquidation, termination or dissolution for the purposes of a consolidation, amalgamation, merger or reconstruction (the terms of which have been approved by the shareholders of the entity or by a court of competent jurisdiction) under which the continuing or resulting entity effectively assumes the entire obligations of the entity in respect of the Subordinated Debt Instruments.

"**Winding-Up Default**" has the meaning given in Condition 11.1.

"**Write-Off Notice**" has the meaning given in Condition 7.4.

"**Written-Off**" means that, in respect of a Subordinated Debt Instrument, the rights of the relevant Subordinated Debt Instrument Holder (including to payment of interest, principal or otherwise, both

in the future and as accrued but unpaid and to be issued with MGL Ordinary Shares) in relation to such Subordinated Debt Instrument are immediately and irrevocably terminated for no consideration with effect on and from the Non-Viability Date; and "**Write-Off**" and "**Writing-Off**" have corresponding meanings.

5. Form of Pricing Supplement

[**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 (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 Subordinated Debt Instruments are [prescribed capital markets products']/[capital market products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [Excluded]/[Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).][1]

[**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 Subordinated Debt Instruments has led to the conclusion that: (i) the target market for the Subordinated Debt Instruments is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Subordinated Debt Instruments to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Subordinated Debt Instruments (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Subordinated Debt Instruments (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MIFIR 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 Subordinated Debt Instruments has led to the conclusion that: (i) the target market for the Subordinated Debt Instruments is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law in the United Kingdom ("**UK**") by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Subordinated Debt Instruments to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Subordinated Debt Instruments (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a 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 Subordinated Debt Instruments (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

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

[1] For any Subordinated Debt Instruments to be offered to Singapore investors other than Accredited Investors and Institutional Investors (each term as defined in the SFA), the Issuer is to consider whether it needs to re-classify the Subordinated Debt Instruments pursuant to Section 309B of the SFA prior to launch of the offer.

or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.][2]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Subordinated Debt Instruments are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is either one (or both) of the following: (i) 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 in the UK by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Subordinated Debt Instruments or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Subordinated Debt Instruments or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.][3]

PRICING SUPPLEMENT DATED [*insert date*]

MACQUARIE BANK LIMITED

(ABN 46 008 583 542)
(incorporated with limited liability in the Commonwealth of Australia)

Issue of

[*specify Currency and Principal Amount of Tranche*]

[*specify type of Subordinated Debt Instruments*] due [*specify Maturity Date*]

[***specify current Programme Limit***]
SUBORDINATED TIER 2 DEBT INSTRUMENT PROGRAMME

PART A - CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions ("**Conditions**") set forth in the Offering Circular dated 5 June 2026 [and the supplemental Offering Circular dated [insert date]] ([together] "**Offering Circular**"). This document constitutes the Pricing Supplement of a Tranche of [describe type of Subordinated Debt Instruments] described herein ("**Subordinated Debt Instruments**") and must be read in conjunction with such Offering Circular. Full information on the Issuer and the offer of the Subordinated Debt Instruments is only available on the basis of the combination of the Pricing Supplement and the Offering Circular. [The Offering Circular [and the supplemental Offering Circular] [is] [are] available for viewing at [*address*] [and] [*website*] and copies may be obtained from [*address*].]]

[[*The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date*]

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions ("**Conditions**") set forth in the [Offering Circular] dated [*original date*] ("[**previous Offering Circular**]")

[2] Delete legend if the Subordinated Debt Instruments do not constitute "packaged" products, in which case, insert "Not Applicable" in paragraph 41 of Part A below. Include legend if the Subordinated Debt Instruments may constitute "packaged" products and the Issuer intends to prohibit the Subordinated Debt Instruments being offered, sold or otherwise made available to EEA retail investors.

[3] Delete legend if the Subordinated Debt Instruments do not constitute consumer composite investments under the CCI regime, in which case, insert "Not Applicable" in paragraph 42 of Part A below. Include legend if the Subordinated Debt Instruments may constitute consumer composite investments under the CCI regime and the Issuer intends to prohibit the Subordinated Debt Instruments being offered, sold, distributed or otherwise made available to UK retail investors.

[and the supplemental [Offering Circular] dated [*insert date*] ([together] "**Offering Circular**")]. This document constitutes the Pricing Supplement for the [describe type of Subordinated Debt Instruments] described herein ("**Subordinated Debt Instruments**") and must be read in conjunction with the Offering Circular [and the supplemental Offering Circular] dated [*insert date*] [and [*insert date*]] save in respect of the Conditions which are extracted from the [previous Offering Circular] and are attached hereto. [The Offering Circular [and the supplemental Offering Circular] [is] [are] available for viewing at [*address*] [and] [*website*] and copies may be obtained from [*address*].]]

[*Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement*.]

1	Issuer:	Macquarie Bank Limited [*specify branch if applicable*] (LEI: 4ZHCHI4KYZG2WVRT8631)
2	Fungible with existing Series:	[*Specify date or state "Not Applicable"*]
	(*If fungible with an existing Series, details of that Series, including the date on which the Subordinated Debt Instruments become fungible*)	
	(i) Series:	[●]
	(ii) Tranche:	[●]
3	Specified Currency [or Currencies]:	[S*pecify currency or currencies (Condition 1.6)*]
	[(i)] Specified Currency Unit (if other than set out in the Conditions):	[*Specify*]
4	Aggregate nominal amount:	[*Specify*]
	(i) Series:	[●]
	(ii) Tranche:	[●]
5	Issue Price:	[*Specify percentage*] per cent. of the nominal amount of each Subordinated Debt Instrument [plus accrued interest from [*specify date*] (if applicable)]
6	Specified Denominations:	[*Specify currency and amount (Condition 1.5).*]
7	[(i)] Issue Date:	[*Specify date*]
	[(ii)] Trade Date:	[*Specify date*]
	[(iii)] Interest Commencement Date:	[*Specify date*]
8	Maturity Date:	[*Specify date (see Condition 6.1)*]

9	Interest Basis:	[[*Specify percentage*] per cent Fixed Rate (Condition 5.2)] [[*Specify reference rate*] +/– [*specify percentage*] per cent Floating Rate (Condition 5.3)] [*Specify other rate* (Condition 5.4)] (further particulars specified below)
10	Redemption Basis:	[Redemption at par / [●]]
11	Australian Domestic Note:	[Applicable / Not Applicable]
12	Public Offer Test Compliant:	*[It [is / is not] the Issuer's intention that the Subordinated Debt Instruments will be issued in a manner which will seek to satisfy the public offer test in accordance with section 128F of the Income Tax Assessment Act 1936 (Cth)]*

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13	**Fixed Rate Subordinated Debt Instrument Provisions:**		[Applicable / Not Applicable] [*See Condition* 5.2. *If not applicable, delete the remaining sub-paragraphs of this paragraph*]
	(i)	Interest Rate(s):	[*Specify percentage*] per cent. per annum [payable [annually / semi-annually / quarterly / monthly] in arrear]
	(ii)	Interest Payment Date(s):	[*Specify dates*] in each year
	(iii)	Fixed Coupon Amount:	[*Specify amount*] per [*specify amount*] in nominal amount
	(iv)	Broken Amount:	[Not Applicable] [Initial Broken Amount: [*specify currency and amount*]] [Final Broken Amount: [*specify currency and amount*]]
	(v)	Day Count Fraction:	[Actual/365 / Actual/Actual / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30E/360 / Eurobond basis / Australian Bond Basis / Actual/Actual-ICMA] [*N.B. If none is specified, the Day Count Fraction will be 30E/360 (as defined in Condition 5.5(f))*]
	(vi)	Business Day Convention:	[Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention / No Adjustment]

	(vii)	Other terms relating to the method of calculating interest for fixed rate Subordinated Debt Instruments:	[Not Applicable / s*pecify*]
14	**Floating Rate Subordinated Debt Instrument Provisions:**		[Applicable / Not Applicable] [*See Condition 5.3. If not applicable, delete the remaining sub-paragraphs of this paragraph.*]
	(i)	Interest Periods:	[*Specify date or dates*]
	(ii)	Interest Payment Date(s):	[*Specify date or dates*]
	(iii)	Business Day Convention:	[Floating Rate Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention / No Adjustment / *specify other*] [*If nothing is specified there will be no adjustment. Care should be taken to match the maturity date (as well as other key dates) of the Subordinated Debt Instruments with any underlying swap transactions. Since maturity dates do not automatically move with business day conventions under ISDA, it may be necessary to specify "No adjustment" in relation to the maturity date of the Subordinated Debt Instruments to disapply the applicable Business Day Convention*]
	(iv)	Relevant Financial Centre:	[*Specify*] [*N.B. If none is specified, the city most closely connected with the Reference Rate to be used in the determination of the Calculation Agent*]
	(v)	Manner in which the Interest Rate(s) and Interest Amount(s) are to be determined:	[Screen Rate Determination / BBSW Rate Determination / AONIA Rate Determination:/ BKBM Determination / other *(specify)*]
	(vi)	Party responsible for determining calculating the Interest Rate(s) or calculating the Interest Amount(s):	[Issuer] / [Calculation Agent: [*insert name and address of specified office*]]
	(vii)	Screen Rate Determination:	[Applicable / Not Applicable]
		[Reference Rate:]	[*Specify*] [*For example: Compounded Daily SONIA / SONIA Index Determination / Average SONIA / SOFR Arithmetic Mean / SOFR Delay Compound / SOFR Index Compound / SOFR Lockout Compound / SOFR Lookback Compound / SOFR Shift Compound*]
		[Interest Determination Date(s):]	[*Specify*] [*For example, the second day on which T2 is open prior to the start of each Interest Period of EURIBOR.*]

[Relevant Screen Page:]	[*Specify*] [*In the case of EURIBOR, if not Refinitiv Page EURIBOR1, ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*.]
[Relevant Time:]	[*Specify*]
[Reference Banks:]	[*Specify*] [*If none are specified, the Reference Banks will be four major banks specified by the Calculation Agent in the inter-bank market that is most closely connected with the Reference Rate*.]
[Principal Financial Centre:]	[*Specify*] [State whether Condition 5.3(b)(i) applies]
[SONIA Provisions:]	
Observation Method:	[Lag/Observation Shift/Not Applicable]
[Lag Lookback Period (p):]	[[5/[●] London Banking Days] / [Not Applicable]]
[Observation Shift Period:]	[5/[●] London Banking Days][Not Applicable] (*N.B. When setting the Lag Lookback Period (p) or the Observation Shift Period, the practicalities of this period should be discussed with the Calculation Agent. It is anticipated that '(p)' will be no fewer than 5 London Banking Days unless otherwise agreed with the Calculation Agent*)
[Relevant Number:]	[[●] London Banking Days][Not Applicable] (*Not applicable unless the Reference Rate is SONIA Index Determination.*) (*N.B. When setting the Relevant Number, the practicalities of this period should be discussed with the Calculation Agent. It is anticipated that the Relevant Number will be no fewer than 5 London Banking Days unless otherwise agreed with the Calculation Agent.*) (*It is anticipated that Screen Rate Determination will be used on an issue by issue basis, unless otherwise agreed between the Issuer and the relevant dealer or the relevant managers on the launch of a particular issue.*)
[SOFR Provisions:	
["p" U.S. Government Securities Business Days:]	[[●] U.S. Government Securities Business Days][Not Applicable]
[SOFR Rate Cut-Off Date:]	[●][Not Applicable]

	[SOFR Interest Accrual Period End Dates:]]	[●] (*Not applicable unless the Reference Rate is SOFR Delay Compound*)
(viii)	BBSW Rate Determination/AONIA Rate Determination:	[BBSW Rate Determination / AONIA Rate Determination / Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	Benchmark Rate:	[BBSW Rate] / [AONIA Rate]
(ix)	BKBM Determination:	[Applicable / Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	[Interest Determination Date(s):]	[●]
(x)	Margin:	[*Specify*] [*State whether positive or negative*]
(xi)	Day Count Fraction:	[Actual/365 / Actual/Actual / Actual/365 (Fixed) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30E/360 / Eurobond basis / Australian Bond Basis / Actual/Actual-ICMA]
(xii)	Fallback Interest Rate:	[See Condition 5.3(c) / Not Applicable / *Specify*]
(xiii)	Representative Amount:	[See Condition 5.3(b) / Not Applicable / *Specify*] [*N.B. If none is specified, an amount which is representative for a single transaction in the relevant market or the relevant time*]
(xiv)	Interest accrual method:	[See Condition 5.5(d) / *Specify*]
(xv)	Default rate:	[Not Applicable / Specify] (*see Condition 5.5(d)*)

PROVISIONS RELATING TO REDEMPTION

15	**Redemption at Issuer's option (Call) (Condition 6.2):**		[Applicable] / [Not Applicable]
	(i)	Optional Redemption Date(s):	[Not Applicable / *Specify the date or date(s) on which Subordinated Debt Instruments may be redeemed at the Issuer's option in accordance with Condition 6.2. The earliest such date must be at least 5 years after the Issue Date.*]
	(ii)	Notice period (if other than set out in the Conditions):	[*Specify minimum and/or maximum notice periods for the exercise of the call option*]

GENERAL PROVISIONS APPLICABLE TO THE SUBORDINATED DEBT INSTRUMENTS

16	**Form of Subordinated Debt Instrument:**	[[Subordinated Bearer Debt Instrument / Subordinated Registered Debt Instrument /

	(i) Form:	Subordinated Registered Debt Instrument in Austraclear] [*See Condition 1.1*]] [*Subordinated Registered Debt Instruments*: *specify any change to Condition 1.4*] [Bearer (Condition 1.1). Subordinated Temporary Global Debt Instrument exchangeable for a Subordinated Permanent Global Debt Instrument upon certification as to non-US beneficial ownership no earlier than 40 days after the completion of distribution of the Subordinated Debt Instruments as determined by the I&P Agent, which is exchangeable for Subordinated Definitive Debt Instruments in certain limited circumstances.] [*N.B. The exchange upon notice option should not be expressed to be applicable if the Specified Denomination includes language substantially to the following effect: "*[*€100,000*] *and integral multiples of* [*€1,000*] *in excess thereof up to and including* [*€199,000*]*".*] [Bearer (Exchangeable into Registered) (Condition 3.1)]
	(ii) Type:	[Subordinated Fixed Rate Debt Instrument / Subordinated Floating Rate Debt Instrument] [*N.B. Subordinated Debt Instruments may be a combination of the above. See Condition 1.2*.]
17	**Additional Business Centre or other special provisions relating to Payment Dates:**	[Not Applicable / *give details*] [*N.B. Only include where an Additional Business Centre has been indicated for an issuance*] [For the avoidance of doubt, "business day" for the Subordinated Debt Instruments shall include the following: (a) [*repeat the details of the Business Centre(s) as per above if applicable*]; and (b) [*insert the Business Centre that is applicable per the Conditions*].
18	**Talons for future Coupons or Receipts to be attached to Subordinated Definitive Debt Instruments (and dates on which such Talons mature):**	[Yes / No] [*If yes, give details*] [*Missing or unmatured Coupons, Receipts etc: specify any change to Condition 9.1.4 re missing or unmatured Coupons or unexchanged Talons or specify "Not Applicable"*]

19	**Other terms:**		[Not Applicable / *give details and specify any Conditions to be altered, varied, deleted otherwise than as provided above and also any additional Conditions to be included.*]
	(i)	Payments in Australian Dollars:	[*Specify whether address for payments or location of account must be outside Australia (Conditions 9.4(a)) / specify whether no change to Condition 9.4*]
	(ii)	Exceptions to Condition 10:	[Not Applicable]
	(iii)	Other currency of account:	[Not Applicable / *specify any change to Condition 14*]
	(iv)	Place of publication of notice for Subordinated Bearer Debt Instruments:	[Not Applicable / *Specify place of publication of notices under Condition 19.1*]
	(v)	Payment Business Day (if other than set out in the Conditions):	[Not Applicable / *Specify*]
20	**ISIN:**		[●]
21	**Common Code:**		[●]
22	**Clearing System(s) other than Euroclear or Clearstream**		[Not Applicable / [●]]

DISTRIBUTION

23	Method of distribution:		[Syndicated / Non-syndicated]
24	(i)	If syndicated, names of relevant Dealers:	[Not Applicable / *specify names and addresses of specified offices*] [The following purchasers of this tranche of Subordinated Debt Instruments are not Dealers named in the Offering Circular: [*specify Dealers not named*]]
	(ii)	Date of Subscription Agreement:	[*Specify*]
25	**If non-syndicated, name of relevant Dealer:**		[*Insert name and address of specified office*]
26	**Stabilisation Manager(s) (if any):**		[Not Applicable / [●]]
27	**Total commission and concession:**		[*Where an exempt offer only of Subordinated Debt Instruments is anticipated:*

		[[*Specify percentage*] per cent of the aggregate nominal amount [of Subordinated Debt Instruments admitted to trading]]] [Not Applicable]
28	**Additional selling restrictions:**	[Not Applicable / *specify details*]
29	**U.S. Selling Restrictions**	[Reg S Compliance Category 2; [TEFRA D/TEFRA C/TEFRA Not Applicable]]
30	**Prohibition of Sales to EEA Retail Investors:**	[Applicable/Not Applicable] (*If the Subordinated Debt Instruments clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the Subordinated Debt Instruments may constitute "packaged" products and no KID will be prepared in the EEA, "Applicable" should be specified.*)
31	**Prohibition of Sales to UK Retail Investors:**	[Applicable/Not Applicable] (*If the Subordinated Debt Instruments clearly do not constitute consumer composite investments under the CCI regime or the Subordinated Debt Instruments do constitute consumer composite investments and a disclosure document will be prepared in the UK, "Not Applicable" should be specified. If the Subordinated Debt Instruments may constitute consumer composite investments and no disclosure document will be prepared in the UK, "Applicable" should be specified.*)

RATINGS

32	Ratings:	[The Subordinated Debt Instruments to be issued [[have been]/[are expected to be]] rated [●] by [●].] [Not Applicable] *A credit rating is not a recommendation to buy, sell or hold Subordinated Debt Instruments and may be subject to revision, suspension or withdrawal at any time by the relevant rating agency.* *Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a*

person is not entitled to receive this Pricing Supplement and anyone who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.

OTHER INFORMATION

33	Modifications to disclosure:	[*Specify*]/[Not Applicable] [*Specify any modifications to the disclosure in the Offering Circular, including, without limitation, any supplementary disclosure in the case of Subordinated Debt Instruments that are issued through a foreign branch of the Issuer.*]

PURPOSE OF THE PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue of the Subordinated Debt Instruments described herein pursuant to the A$[*specify current Programme Limit*] Subordinated Debt Instrument Programme of Macquarie Bank Limited.

RESPONSIBILITY

[[*Relevant third party information*] has been extracted from [*specify source*].] 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 [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

CONFIRMED

MACQUARIE BANK LIMITED

By:

[Authorised Person]

6. Form of Subordinated Debt Instruments

The following provides a description of the forms of Subordinated Debt Instruments (other than Australian Domestic Notes) that may be issued by the Issuer under the Programme, briefly sets out certain information relating to clearing systems and settlement of Subordinated Debt Instruments and provides a summary of certain terms which apply to the Subordinated Debt Instruments while they are held in global form by the clearing systems, some of which include minor and/or technical modifications to the terms and conditions of the Subordinated Debt Instruments set out in this Offering Circular. References to Subordinated Registered Debt Instruments in this part shall be taken to exclude Australian Domestic Notes.

Each Tranche of Subordinated Debt Instruments will be represented upon issue by:

(a) if such Subordinated Debt Instruments are in bearer form or if definitive Subordinated Debt Instruments are to be made available to Subordinated Debt Instrument Holders, unless the relevant Pricing Supplement otherwise specifies, a Subordinated Temporary Global Debt Instrument which will be deposited with a depositary or common depositary on behalf of Euroclear and/or Clearstream, and will be exchangeable as set out below; or

(b) Subordinated Debt Instruments in registered form.

Subject to the following provisions of this paragraph, the Subordinated Debt Instruments of each Series are intended to be fungible with all other Subordinated Debt Instruments of that Series. However, in certain circumstances, Subordinated Debt Instruments of a particular Tranche may not be nor become fungible with Subordinated Debt Instruments of any other Tranche or Tranches forming part of the same Series until a specified time following the issue thereof, as described in the relevant Pricing Supplement (if any).

If so specified in the relevant Pricing Supplement, Subordinated Debt Instruments in bearer form are exchangeable for Subordinated Debt Instruments in registered form but Subordinated Debt Instruments in registered form are not exchangeable for Subordinated Debt Instruments in bearer form.

Where Subordinated Debt Instruments in registered form are to be issued in respect of a particular Tranche, no certificate or other evidence of title will be issued unless the Issuer determines that certificates should be available or it is required to do so pursuant to any applicable law or regulation. Subordinated Debt Instruments in registered form which are held in Euroclear and/or Clearstream will be registered in the name of a depositary or a common depositary for Euroclear and/or Clearstream.

No interest is payable in respect of a Subordinated Temporary Global Debt Instrument, except as provided below. Upon deposit of Subordinated Global Debt Instrument with the Common Depositary Euroclear or Clearstream, will credit each subscriber with a nominal amount of Subordinated Debt Instruments equal to the nominal amount thereof for which it has subscribed and paid.

Each of the persons shown in the records of Euroclear and/or Clearstream as the Subordinated Debt Instrument Holders represented by a Subordinated Global Debt Instrument must look solely to Euroclear or Clearstream for its share of each payment made by the Issuer to the bearer of such Subordinated Global Debt Instrument and in relation to all other rights arising under the Subordinated Global Debt Instruments, subject to and in accordance with the respective rules and procedures of Euroclear and/or Clearstream. Such persons shall have no claim directly against the Issuer in respect of payments due on the Subordinated Debt Instruments for so long as the Subordinated Debt Instruments are represented by such Subordinated Global Debt Instrument and such obligations of the Issuer will be discharged by payment to the bearer of such Subordinated Global Debt Instrument in respect of the amount so paid. The Subordinated Global Debt Instruments contain provisions which apply to the Subordinated Debt Instruments while they are in global form, some of which modify the effect of the terms and conditions of the Subordinated Debt Instruments set out in this Offering Circular. The following is a summary of certain of those provisions.

1 Exchange

Each Subordinated Temporary Global Debt Instrument is exchangeable on or after its Exchange Date (as defined below) for security printed Definitive Bearer Subordinated Debt Instruments, for a Subordinated Permanent Global Debt Instrument upon certification as to non-U.S. beneficial ownership as set out in the Subordinated Temporary Global Debt Instrument. Each Subordinated Permanent Global Debt Instrument is exchangeable in whole or in part (if so specified in the relevant Subordinated Permanent Global Debt Instrument) at any time for Definitive Bearer Subordinated Debt Instruments as described below when:

(a) an Event of Default has occurred and is continuing;

(b) the Issuer has been notified that both Euroclear and Clearstream have been closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so; or

(c) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 10 or has or will otherwise become subject to adverse tax consequences which in any case would not be which would not be required or suffered were the Subordinated Debt Instruments represented by the Subordinated Global Debt Instrument in definitive form.

Such exchange shall take place:

(i) in relation to a Temporary Bearer Global Subordinated Debt Instrument, on the later of the date which is 40 days after the Temporary Bearer Global Subordinated Debt Instrument is issued and 40 days after the completion of the distribution of the Tranche of SDIs represented by the Temporary Bearer Global Subordinated Debt Instrument, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue); and

(ii) in relation to a Subordinated Permanent Global Debt Instrument, a day falling not less than 60 days after the date of receipt of the notice requiring exchange by the I&P Agent.

In exchange for a Subordinated Permanent Global Debt Instrument, the Issuer will deliver or procure the delivery of, an equal aggregate nominal amount of security printed Definitive Bearer Subordinated Debt Instruments corresponding thereto and (if applicable) Coupons and/or Talons in the form set out in the schedule to the Euro Agency Agreement. On exchange in full of the Subordinated Permanent Global Debt Instrument, such Subordinated Permanent Global Debt Instrument will be cancelled.

2 Payments

Prior to the Exchange Date (as defined below), all payments in respect of a Subordinated Temporary Global Debt Instrument will only be made to the bearer thereof and will only be made to the extent that there is presented to the I&P Agent by Clearstream or Euroclear a certificate, to the effect that it has received from or in respect of a person entitled to a particular nominal amount of the Subordinated Debt Instruments represented by such instrument (as shown by its records) a certificate of non-U.S. beneficial ownership in the form required by it.

The bearer of a Subordinated Temporary Global Debt Instrument will not be entitled to receive any payment thereon due on or after the Exchange Date unless, upon due presentation of such instrument for exchange, delivery of the appropriate number of Definitive Bearer Subordinated Debt Instruments (together, if applicable, with the Coupons and Talons belonging thereto in or substantially in the forms set out in Parts V and VI of Schedule 2 to the Euro Agency Agreement) or, as the case may be, issue and delivery (or, as the case may be, endorsement) of the Subordinated Permanent Global Debt

Instrument, is improperly withheld or refused and such withholding or refusal is continuing at the relevant payment date.

The "**Exchange Date**" is the later of:

(a) 40 days after the Issue Date; and

(b) 40 days after the completion of the distribution of the Tranche of Subordinated Debt Instruments represented by the Subordinated Temporary Global Debt Instrument, as certified by the relevant Dealer or Dealers (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue).

Any payment due in respect of a Subordinated Temporary Global Debt Instrument or a Subordinated Permanent Global Debt Instrument will be made to each of Euroclear and/or Clearstream in respect of the portion of the Subordinated Permanent Global Debt Instrument held for its account. Payments of principal and interest in respect of Subordinated Debt Instruments represented by a Subordinated Permanent Global Debt Instrument will be made (a) against presentation for endorsement and (b) if no further payment falls to be made in respect of the Subordinated Debt Instruments represented thereby, surrender of such Subordinated Permanent Global Debt Instrument to, or to the order of, the I&P Agent. A record of each payment so made will be endorsed in the appropriate schedule to the relevant Subordinated Permanent Global Debt Instrument, which endorsement will be prima facie evidence that such payment has been made in respect of the Subordinated Debt Instruments.

3 Notices

So long as the Subordinated Debt Instruments of any Series are represented by a Subordinated Global Debt Instrument and the Subordinated Global Debt Instrument is held on behalf of Subordinated Global Debt Instrument, all notices regarding the Subordinated Debt Instrument may be given by delivery of the relevant notice to that clearing system for communication by it to entitled account holders in substitution for publication as required by the Conditions.

4 Prescription

Claims against the Issuer for payment in respect of the Subordinated Debt Instruments or Coupons (which, for this purpose, shall not include Talons) will be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date.

5 Meetings

When all the relevant Subordinated Debt Instruments for the time being outstanding are represented by or comprised in a single Subordinated Global Debt Instrument, the holder of such Subordinated Global Debt Instrument shall be treated as two persons for the purposes of any quorum requirements of a meeting of the relevant Subordinated Debt Instrument Holders.

6 Cancellation

Cancellation of any Subordinated Debt Instrument required by the Conditions to be cancelled following its purchase will be effected by reduction in the nominal amount of the relevant Subordinated Global Debt Instrument.

7 Redemption at the option of the Issuer

If the Issuer decides to redeem any Subordinated Debt Instruments for the time being outstanding prior to their Maturity Date in accordance with the Conditions, the Issuer shall give notice of such decision to the I&P Agent stating the date on which such Subordinated Debt Instruments are to be

redeemed and the nominal amount of Subordinated Debt Instruments to be redeemed not less than 10 Business Days (or such lesser period as agreed by the I&P Agent) prior to the latest date for the giving of notice to the Subordinated Debt Instrument Holders in accordance with the Conditions of such redemption.

8 Direct Enforcement Rights

In the event that a Global Subordinated Debt Instrument (or any part thereof) has become due and payable in accordance with the Conditions or the Maturity Date has occurred and, in either case, payment in full of the amount due has not been made to the bearer (in the case of a Global Subordinated Debt Instrument in bearer form) or the registered holder (in the case of a Global Subordinated Debt Instrument in registered form) in accordance with the foregoing then, from 8.00 p.m. (Hong Kong time) on such day each holder of an interest in such Global Subordinated Debt Instrument will become entitled to proceed directly against the Issuer on, and subject to the terms of the Deed of Covenant in respect of the Subordinated Debt Instruments. In such circumstance, the bearer (in the case of a Global Subordinated Debt Instrument in bearer form) or the registered holder (in the case of a Global Subordinated Debt Instrument in registered form) will have no further rights under the Global Subordinated Debt Instrument and the Global Subordinated Debt Instrument shall be void (but without prejudice to the rights which the bearer or any other person may have under the Deed of Covenant).

7. Subscription and Sale

This section contains a description of certain selling restrictions applicable to making offers of the Subordinated Debt Instruments under the Programme.

Pursuant to the Dealer Agreement, the Subordinated Debt Instruments may be offered on a continuing basis through the persons that are appointed as dealers in respect of the whole Programme and whose appointment has not been terminated (the "**Permanent Dealers**"). However, Macquarie Bank has reserved the right to sell Subordinated Debt Instruments directly on its own behalf to Dealers that are not Permanent Dealers. Macquarie Bank will have the sole right to accept any such offers to purchase Subordinated Debt Instruments and may reject any such offer in whole or (subject to the terms of such offer) in part. Each Dealer shall have the right, in its discretion reasonably exercised, to reject any offer to purchase Subordinated Debt Instruments made to it in whole or (subject to the terms of such offer) in part.

In the Dealer Agreement, Macquarie Bank has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Subordinated Debt Instruments under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

By its purchase and acceptance of Subordinated Debt Instruments issued under the Dealer Agreement, each Dealer agrees that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver Subordinated Debt Instruments, and it will not directly or indirectly offer, sell, resell, re-offer or deliver Subordinated Debt Instruments or distribute this Offering Circular, any Pricing Supplement, advertisement or other offering material relating to the Subordinated Debt Instruments in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

Neither Macquarie Bank nor any Dealer represents that any Subordinated Debt Instruments may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

In addition and unless the relevant Pricing Supplement otherwise provides, each Dealer has agreed that, in connection with the primary distribution of the Subordinated Debt Instruments, it will not sell Subordinated Debt Instruments to any person if, at the time of such sale, the employees of the Dealer aware of, or involved in, the sale knew or had reasonable grounds to suspect that, as a result of such sale, any Subordinated Debt Instruments or an interest in any Subordinated Debt Instruments were being, or would later be, acquired (directly or indirectly) by an associate of Macquarie Bank for the purposes of section 128F of the *Income Tax Assessment Act 1936* (Cth) of Australia (as amended) (the "**Australian Tax Act**") and associated regulations and, where applicable, any replacement legislation including, but not limited to, the *Income Tax Assessment Act 1997* of Australia, except as permitted by section 128F(5) of the Australian Tax Act.

The Dealers may be paid fees in relation to any issue of Subordinated Debt Instruments under the Programme. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Subordinated Debt Instruments issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of Macquarie Bank and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, the Dealers and their affiliates are involved in a wide range of financial services and businesses including securities trading and brokerage activities and providing commercial and investment banking, investment management, corporate finance, credit and derivative, trading and research products and services, out of which conflicting interests or duties may arise. 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 Macquarie Bank or Macquarie Bank's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with Macquarie Bank routinely hedge their credit exposure to Macquarie Bank 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 Subordinated Debt Instruments issued under the Programme. Any such positions could adversely affect future trading prices of Subordinated Debt Instruments issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

1 General

This Offering Circular has not been, nor will be, lodged with ASIC and is not a 'prospectus', 'product disclosure statement' or other 'disclosure document' for the purposes of the Corporations Act.

No action has been taken in any jurisdiction that would permit a public offering of any of the Subordinated Debt Instruments, or possession or distribution of this Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Persons into whose hands this Offering Circular comes are required by Macquarie Bank and the Dealers to comply with all applicable laws, regulations and directives in each country or jurisdiction in which they purchase, offer, sell, resell, reoffer or deliver Subordinated Debt Instruments or have in their possession or distribute or publish this Offering Circular or such other offering material and to obtain any authorisation, consent, approval or permission required by them for the purchase, offer, sale, reoffer, resale or delivery by them of any Subordinated Debt Instruments under any applicable law, regulation or directive in force in any jurisdiction to which they are subject or in which they make such purchases, offers, sales, reoffers, resales or deliveries, in all cases at their own expense, and neither Macquarie Bank nor any Dealer has responsibility for such matters. In accordance with the above, any Subordinated Debt Instruments purchased by any person which it wishes to offer for sale or resale may not be offered in any jurisdiction in circumstances which would result in Macquarie Bank being obliged to register any further prospectus or corresponding document relating to the Subordinated Debt Instruments in such jurisdiction.

In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Subordinated Debt Instruments in Australia, the United States, the European Economic Area, the United Kingdom, the Republic of Italy, Hong Kong, Singapore, Japan, Canada, Korea, Taiwan, the PRC and New Zealand as set out below.

2 Australia

No prospectus or other disclosure document, nor any product disclosure statement, (each as defined in the Corporations Act) in relation to the Programme or any Subordinated Debt Instruments has been, or will be, lodged with ASIC. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless the relevant Pricing Supplement (or relevant supplement to this Offering Circular) otherwise provides, it:

(a) has not (directly or indirectly) offered, and will not offer for issue or sale and has not invited, and will not invite, applications for issue or offers to purchase, any Subordinated Debt Instruments in, to or from Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, this Offering Circular or any draft, preliminary or definitive prospectus, offering memorandum, disclosure document, advertisement or other offering material relating to any Subordinated Debt Instruments in Australia,

unless:

(i) the aggregate consideration payable by each offeree or invitee is at least A$500,000 (or its equivalent in other currencies but disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Parts 6D.2 or 7.9 of the Corporations Act;

(ii) such action complies with all applicable laws, regulations and directives in Australia (including, without limitation, the licensing requirements set out in Chapter 7 of the Corporations Act);

(iii) the offer or invitation is not made to a person who is a "retail client" within the meaning of section 761G of the Corporations Act; and

(iv) such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

3 United States

3.1 Regulation S Category 2; TEFRA D

The Subordinated Debt Instruments have not been and will not be registered under the Securities Act or the securities laws of any State of the United States. The Subordinated Debt Instruments may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them under Regulation S.

Subordinated Bearer Debt Instruments with a maturity of more than one year are subject to United States tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, or for the account or benefit of, a United States person, except in certain transactions permitted by the U.S. Internal Revenue Code and U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. *Internal Revenue Code of 1986*, as amended, and U.S. Treasury regulations promulgated thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, except as permitted by the Dealer Agreement, that it has not offered, sold, resold or delivered, and will not offer, sell, resell or deliver, the Subordinated Debt Instruments of any Tranche:

(a) as part of their distribution at any time; and

(b) otherwise until 40 days after the later of (i) the closing date of such Tranche of Subordinated Debt Instruments and (ii) the completion of the distribution of all Subordinated Debt Instruments of such Tranche,

within the United States or to, or for the account or benefit of, U.S. persons only in accordance with Regulation S and that during the distribution compliance period, it will have sent to each distributor to which it sells the Subordinated Debt Instruments, a confirmation or other notice setting forth the restrictions on offers and sales of the Subordinated Debt Instruments within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the two preceding paragraphs have the

meanings given to them by Regulation S under the Securities Act. The Subordinated Debt Instruments are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

Until 40 days after the commencement of the offering of any Subordinated Debt Instruments, an offer or sale of Subordinated Debt Instruments within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Subordinated Debt Instruments outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Subordinated Debt Instruments, in whole or in part, for any reason. This Offering Circular does not constitute an offer to any person in the United States. Distribution of this Offering Circular by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States is prohibited.

4 European Economic Area

4.1 Prohibition of Sales to EEA Retail Investors

Unless the relevant Pricing Supplement in respect of any Subordinated Debt Instruments 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 Subordinated Debt Instruments which are the subject of the offering contemplated by this Offering Circular as completed by the relevant Pricing Supplement in relation thereto to any retail investor in the EEA. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of *Directive (EU) 2016/97* (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Subordinated Debt Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Subordinated Debt Instruments.

If the relevant Pricing Supplement in respect of any Subordinated Debt Instruments specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the EEA (each, a "**Relevant State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Subordinated Debt Instruments, which are the subject of an offering contemplated by this Offering Circular as completed by the relevant Pricing Supplement in relation thereto to the public in that Relevant State, except that it may make an offer of such Subordinated Debt Instruments to the public in that Relevant State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Subordinated Debt Instruments referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression "**offer of Subordinated Debt Instruments to the public**" in relation to any Subordinated Debt Instruments in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Subordinated Debt Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Subordinated Debt Instruments.

5 The United Kingdom

5.1 Prohibition of Sales to UK Retail Investors

Unless the relevant Pricing Supplement in respect of any Subordinated Debt Instruments 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, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any Subordinated Debt Instruments which are the subject of this Offering Circular as completed by the relevant Pricing Supplement in relation thereto to any retail investor in the UK. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is either one (or both) of the following:

(i) not a professional client, as defined in point (8) of Article 2(1) of *Regulation (EU) No 600/2014* as it forms part of UK domestic law by virtue of the EUWA; or

(ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs; and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Subordinated Debt Instruments to be offered so as to enable an investor to decide to buy or subscribe for the Subordinated Debt Instruments.

If the relevant Pricing Supplement in respect of any Subordinated Debt Instruments 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 made and will not make an offer of Subordinated Debt Instruments which are the subject of this Offering Circular as completed by the relevant Pricing Supplement in relation thereto to the public in the UK except that it may make an offer:

(a) at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;

(b) at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) in the UK subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Part 1 of Schedule 1 to the POATRs.

For the purposes of this provision, the expression "**an offer of Subordinated Debt Instruments to the public**" in relation to any Subordinated Debt Instruments means the communication in any form and by any means of sufficient information on the terms of the offer and the Subordinated Debt Instruments to be offered so as to enable an investor to decide to buy or subscribe for the Subordinated Debt Instruments and the expression "**POATRs**" means the Public Offers and Admissions to Trading Regulations 2024.

5.2 Other regulatory restrictions

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

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act (the "**FSMA**")) received by it in connection with the issue or sale of any Subordinated Debt Instruments in circumstances in which section 21(1) of the FSMA would not, if Macquarie Bank was not an authorised person, apply to Macquarie Bank; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Subordinated Debt Instruments in, from or otherwise involving the UK.

6 Republic of Italy

The offering of the Subordinated Debt Instruments has not been registered pursuant to Italian securities and banking legislation and, accordingly, no Subordinated Debt Instruments may be offered, sold or delivered, nor may copies of this Offering Circular or of any other document relating to the Subordinated Debt Instruments be distributed, in the primary or secondary market in the Republic of Italy.

7 Hong Kong

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

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Subordinated Debt Instruments (except for Subordinated Debt Instruments which are a "structured product" as defined in the *Securities and Futures Ordinance (Cap. 571)* of Hong Kong (the "**SFO**")) other than:

(i) to "professional investors" as defined in the SFO and any rules made thereunder; or

(ii) in other circumstances which do not result in the document being a "prospectus" as defined in the *Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32)* of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued, or had in its possession for the purpose of issue, and will not issue, or have in its possession for the purpose of issue (in each case whether in Hong Kong or elsewhere) any advertisement, invitation or other offering material or other document relating to the Subordinated Debt Instruments, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the applicable securities laws of Hong Kong) other than with respect to Subordinated Debt Instruments which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made thereunder.

8 Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore.

Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Subordinated Debt Instruments or caused any Subordinated Debt Instruments to be made the subject of an invitation for subscription or purchase and will not offer or sell any Subordinated Debt Instruments or cause any Subordinated Debt Instruments to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of any Subordinated Debt Instruments, whether directly or indirectly, to any person in Singapore other than:

(a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA; or

(b) 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.

9 Japan

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

10 Canada

The Subordinated Debt Instruments are not and will not be qualified for sale under the securities laws of any province or territory of Canada. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered, sold, delivered or transferred and will not offer, sell, deliver or transfer any Subordinated Debt Instruments, directly or indirectly, in Canada or to or for the benefit of

any resident of Canada, other than in compliance with the applicable securities laws of any province or territory of Canada; and

(b) it has not and will not distribute or deliver this Offering Circular or any Pricing Supplement, advertisement or other offering material relating to the Subordinated Debt Instruments in Canada, other than in compliance with the applicable securities laws of any province or territory of Canada.

11 Korea

The Subordinated Debt Instruments have not been and will not be registered with the Financial Services Commission of Korea for public offering in the Republic of Korea. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

(a) it has not offered, sold or delivered and will not offer, sell or deliver, directly or indirectly, any Subordinated Debt Instruments in Korea, or to, or for the account or benefit of, any resident of Korea (as defined in the *Foreign Exchange Transactions Act* passed by the Korea National Assembly on 18 January 2009 and promulgated on 30 January 2009 as last amended on 17 January 2017 with effect from 18 July 2017, the "**Foreign Exchange Transaction Law**") or to others for re-offering or resale directly or indirectly in Korea to any resident of Korea, except as otherwise permitted by applicable Korean laws and regulations; and

(b) any securities dealer to whom each Dealer and each further dealer may sell the Subordinated Debt Instruments will agree that it will not offer, sell or deliver any Subordinated Debt Instruments, directly or indirectly, in Korea, or to any resident of Korea (as defined in the Foreign Exchange Transaction Law), except as otherwise permitted by applicable Korean laws and regulations or to any other dealer who does not so represent or agree.

12 Taiwan

The Subordinated Debt Instruments, if listed on the Taipei Exchange for sale to professional or general investors in Taiwan and to the extent permitted by the relevant Taiwan laws and regulations, may be sold in Taiwan to all professional or general investors, as applicable, or, if not listed in Taiwan, the Subordinated Debt Instruments may be made available (i) to Taiwan resident investors outside Taiwan for purchase by such investors outside Taiwan; (ii) to the Offshore Banking Units (as defined in the *R.O.C. Statute for Offshore Banking Operations*) of Taiwan banks purchasing the Subordinated Debt Instruments for their proprietary account, in trust for their non-Taiwan trust clients or for purposes of on-sale to qualified Taiwan investors; (iii) to Offshore Securities Units (as defined in the *R.O.C. Statute for Offshore Banking Operations*) of Taiwan securities firms purchasing the Subordinated Debt Instruments for their proprietary account, in trust for their trust clients, as agent for their non-Taiwan brokerage clients or for purposes of on-sale to qualified Taiwan investors; (iv) to the Offshore Insurance Units (as defined in the *R.O.C. Statute for Offshore Banking Operations*) of Taiwan insurance companies purchasing the Subordinated Debt Instruments either for their proprietary account or in connection with the issuance of investment linked insurance policies to non-Taiwan policy holders; and/or (v) to investors in Taiwan through licensed financial institutions to the extent permitted under relevant Taiwan laws and regulations.

13 People's Republic of China

Each Dealer has represented, warranted and agreed that the Subordinated Debt Instruments are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities law of the PRC.

14 New Zealand

This Offering Circular has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (New Zealand) (the "**FMC Act**"). The Subordinated Debt Instruments are not being directly or indirectly offered, sold or delivered in New Zealand (or allotted with a view to being offered for sale in New Zealand), and no offering circular (including this Offering Circular) or advertisement relating to any offer of the Subordinated Debt Instruments is being distributed in New Zealand, other than to a person who:

(a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;

(b) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;

(c) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or

(d) in any other circumstances where there is no contravention of the disclosure requirements of the FMC Act.

15 Changes to these selling restrictions

These selling restrictions may be changed by the Issuer and a Dealer including following a change in, or clarification of, a relevant law, regulation, directive, request or guideline having the force of law or compliance with which is in accordance with the practice of responsible financial institutions in the country or jurisdiction concerned or any change in or introduction of any of them or in their interpretation or administration. Any change will be set out in the relevant Pricing Supplement issued in respect of the Subordinated Debt Instruments to which it relates.

Persons into whose hands this Offering Circular comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell, transfer or deliver Subordinated Debt Instruments or have in their possession or distribute such offering material and to obtain any consent, approval or permission required by them for the purchase, offer, sale, transfer or delivery by them of any Subordinated Debt Instruments under the law and regulations in force in any country or jurisdiction to which they are subject or in which they make such purchases, offers, sales, transfers or deliveries, in all cases at their own expense, and neither Issuer nor any Dealer shall have responsibility therefor. In accordance with the above, any Subordinated Debt Instruments purchased by any person which it wishes to offer for sale or resale may not be offered in any country or jurisdiction in circumstances which would result in the Issuer being obliged to register this Offering Circular or any further prospectus or corresponding document relating to the Subordinated Debt Instruments in such country or jurisdiction.

8. Tax Considerations

If you are considering applying for Subordinated Debt Instruments, it is important that you understand the taxation consequences of investing in the Subordinated Debt Instruments. It is recommended that you read this section and discuss the taxation consequences with your tax adviser, financial adviser or other professional adviser before deciding whether to invest in the Subordinated Debt Instruments.

This summary only applies in respect of Subordinated Debt Instruments issued by Macquarie Bank in the course of carrying on business in Australia through its head office in Sydney. This is not an exhaustive summary of tax matters that may be relevant to the Subordinated Debt Instruments. Further information on the tax consequences of payments of interest and certain other amounts on those Subordinated Debt Instruments may be specified in the relevant Pricing Supplement (or another relevant supplement to this Offering Circular).

Australian Taxation

*The following is a general summary of certain Australian withholding tax consequences under the Income Tax Assessment Acts of 1936 and 1997 (Cth) of Australia (together, in this section of this Offering Circular, the "**Australian Tax Act**"), the Taxation Administration Act 1953 (Cth) of Australia and any relevant regulations, rulings or judicial or administrative pronouncements, at the date of this Offering Circular, of payments of interest and certain other amounts on the Subordinated Debt Instruments to be issued by the Issuer under the Programme and certain other Australian tax matters.*

This summary is not exhaustive and should be treated with appropriate caution. In particular, the summary does not deal with the position of certain classes of Subordinated Debt Instrument Holders (including, without limitation, dealers in securities, custodians or other third parties who hold Subordinated Debt Instruments on behalf of other persons, or Subordinated Debt Instrument Holders who hold Subordinated Debt Instruments as trading stock). In addition, unless otherwise stated, the summary does not consider the Australian tax consequences for persons who hold interests in Subordinated Debt Instruments through Euroclear, Clearstream or another clearing system.

Prospective Subordinated Debt Instrument Holders should also be aware that particular terms of issue of any Series of Subordinated Debt Instruments (including, but not limited to, whether or not the Subordinated Debt Instruments are issued by Macquarie Bank through its Sydney head office) may affect the tax treatment of that and other Series of Subordinated Debt Instruments.

This summary is not intended to be, nor should it be, construed as legal or tax advice to any particular investor. Prospective holders of Subordinated Debt Instruments should consult their professional advisers on the tax implications of an investment in the Subordinated Debt Instruments for their particular circumstances.

1 Introduction

The Australian Tax Act characterises securities as either "debt interests" or "equity interests" including for the purposes of Australian interest withholding tax imposed under Division 11A of Part III of the Australian Tax Act ("**IWT**") and dividend withholding tax. IWT is payable at a rate of 10% of the gross amount of interest paid by Macquarie Bank (where acting through its Sydney head office) to a non-resident of Australia (other than a non-resident that acquires its Subordinated Debt Instruments in carrying on a business at or through a permanent establishment in Australia) or an Australian resident that acquires its Subordinated Debt Instruments in carrying on a business at or through a permanent establishment outside Australia, unless an exemption is available. For these purposes, "interest" is defined in section 128A(1AB) of the Australian Tax Act to include amounts in the nature of, or in substitution for, interest and certain other amounts.

2 Interest Withholding Tax

An exemption from IWT is available in respect of Subordinated Debt Instruments issued by Macquarie Bank if those Subordinated Debt Instruments are characterised as "debentures", are not characterised as "equity interests" for the purposes of the Australian Tax Act, the returns paid on the Subordinated Debt Instruments are "interest" and the requirements of section 128F of the Australian Tax Act are satisfied. The exemption from IWT is relevant to the extent that the Subordinated Debt Instruments are issued by Macquarie Bank through its Sydney head office. Macquarie Bank intends to issue Subordinated Debt Instruments which will be characterised as "debentures", which are not "equity interests" for these purposes, the returns on which are to be "interest" and which will also satisfy the requirements of section 128F of the Australian Tax Act.

If Subordinated Debt Instruments are issued which are not so characterised or which do not satisfy the requirements of section 128F of the Australian Tax Act, further information on the material Australian withholding tax consequences of payments of interest and certain other amounts on those Subordinated Debt Instruments will be specified in the relevant Pricing Supplement (or another relevant supplement to this Offering Circular).

In broad terms, the requirements that must be satisfied for an exemption from IWT in section 128F to apply in respect of the Subordinated Debt Instruments issued by Macquarie Bank (through its Sydney head office) are as follows:

(a) Macquarie Bank is a company as defined in section 128F(9) of the Australian Tax Act and is a resident of Australia when it issues those Subordinated Debt Instruments and when interest is paid;

(b) those Subordinated Debt Instruments are issued in a manner which satisfies the public offer test in section 128F of the Australian Tax Act. There are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in capital markets are aware that Macquarie Bank is offering those Subordinated Debt Instruments for issue. In summary, the five methods are:

  (i) offers to 10 or more persons carrying on a business of providing finance, or investing or dealing in securities, in the course of operating in financial markets, none of which are associates of each other for the purposes of section 128F(9) of the Australian Tax Act;

  (ii) offers to 100 or more investors who have acquired debentures in the past or are likely to be interested in acquiring debentures;

  (iii) offers made as a result of being accepted for listing on a stock exchange under an agreement with a dealer, manager or underwriter in relation to the placement of the debentures requiring listing;

  (iv) offers made as a result of negotiations being initiated publicly in electronic form, or in another form, that was used by financial markets for dealing in debentures; and

  (v) offers to a dealer, manager or underwriter who, under an agreement with Macquarie Bank, offers to sell those Subordinated Debt Instruments within 30 days by one of the preceding methods;

(c) additionally, the issue of any of those Subordinated Debt Instruments satisfies the public offer test if they are "global bonds". In summary, a debt interest or debenture is a "global bond" for the purposes of the public offer test if:

(i) it describes itself as a global bond or global note;

(ii) it is issued to a clearing house or a trustee or agent for or on behalf of one or more clearing houses (e.g. a common depository);

(iii) in connection with the issue, the clearing house(s) confers rights in relation to the debt interest or debenture on other persons (i.e. the investors) and records the existence of those rights;

(iv) before the issue of the global note, the Issuer or a dealer, manager or underwriter, in relation to the placement of the global note, acting on behalf of the Issuer, announces that such rights will be able to be created as a result of the issue;

(v) the announcement is made using one of the preceding five methods in paragraph (b); and

(vi) the terms of the global note provide that interests in the global note are able to be surrendered, whether or not in particular circumstances, in exchange for other debentures or debt interests issued by the Issuer that are not themselves global bonds;

(d) Macquarie Bank does not know, or have reasonable grounds to suspect, at the time of issue, that those Subordinated Debt Instruments or interests in those Subordinated Debt Instruments were being, or would later be, acquired, directly or indirectly, by an "associate" of Macquarie Bank, except as permitted by section 128F(5) of the Australian Tax Act; and

(e) at the time of the payment of interest, Macquarie Bank does not know, or have reasonable grounds to suspect, that the payee is an "associate" of Macquarie Bank, except as permitted by section 128F(6) of the Australian Tax Act.

Furthermore, section 128AA of the Australian Tax Act deems certain amounts to be interest for the purposes of the IWT provisions. Specifically, on a future disposal of a Subordinated Debt Instrument by a non-resident Subordinated Debt Instrument Holder to an Australian resident (who does not acquire them in carrying on business at or through a permanent establishment outside Australia) or a non-resident who acquires them in carrying on business at or through a permanent establishment in Australia, section 128AA of the Australian Tax Act can treat a portion of the transfer price of the Subordinated Debt Instrument as interest for IWT purposes, if the Subordinated Debt Instrument is classified as a "qualifying security". In broad terms, qualifying securities include certain Subordinated Debt Instruments which are originally issued at a discount, have a maturity premium or under which interest is not payable at least annually. If the Subordinated Debt Instruments are not issued at a discount, do not have a maturity premium and have interest payable at least annually, this interest deeming rule should not apply to the Subordinated Debt Instruments. The section 128F exemption from IWT also applies to deemed interest under section 128AA if the Subordinated Debt Instrument would have been exempt under section 128F if it had been held to maturity by a non-resident.

2.1.1 Interest withholding tax exemptions under certain double tax conventions

The Australian Government has signed double tax conventions ("**Double Tax Treaties**") with a number of countries (including the United States and the United Kingdom) (each a "**Specified Country**"), under which an exemption from IWT is available in certain circumstances. In broad terms, the Double Tax Treaties effectively prevent IWT applying to interest derived by:

(a) the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; and

(b) a "financial institution" which is a resident of a "Specified Country" and which is unrelated to and dealing wholly independently with Macquarie Bank. The term "financial institution" refers to either a bank or any other form of enterprise which substantially derives its profits by carrying on a business of raising and providing finance. However, interest paid under a back-to-back loan or an economically equivalent arrangement will not qualify for this exemption.

Accordingly, where interest is paid by Macquarie Bank to certain types of Subordinated Debt Instrument Holders that are resident for tax purposes in Specified Countries, and otherwise entitled to benefits under a relevant Double Tax Treaty, the interest may not be subject to IWT.

The availability of relief under a Double Tax Treaty may be limited by Australia's adoption of the *Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting* in circumstances where a Subordinated Debt Instrument Holder has an insufficient connection with the relevant jurisdiction. Prospective Subordinated Debt Instrument Holders should obtain their own independent tax advice as to whether any of the exemptions under the relevant Double Tax Treaties may apply to their particular circumstances.

The Australian Federal Treasury maintains a listing of Australia's Double Tax Treaties which is available to the public at the Federal Treasury Department's website.

2.1.2 Subordinated Bearer Debt Instruments – section 126 of the Australian Tax Act

Section 126 of the Australian Tax Act imposes a type of withholding tax (see below for the rate of withholding tax) on the payment of interest on Subordinated Bearer Debt Instruments if Macquarie Bank fails to disclose the names and addresses of the holders of Subordinated Bearer Debt Instruments to the Australian Taxation Office, but is limited in its application to holders of Subordinated Bearer Debt Instruments who are residents of Australia or non-residents who are engaged in carrying on business in Australia at or through a permanent establishment in Australia. Where interests in the relevant Subordinated Bearer Debt Instruments are held through Euroclear or Clearstream, Macquarie Bank intends to treat the relevant operator of those clearing systems as the Subordinated Debt Instrument Holder for the purposes of section 126 of the Australian Tax Act.

Under current law, the rate of withholding tax is 45%.

2.1.3 Payment of additional amounts

As set out in more detail in the relevant Pricing Supplement of the Subordinated Debt Instruments, if Macquarie Bank is at any time required by law to withhold or deduct an amount in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by Australia or any political subdivision or taxing authority therein or thereof in respect of the Subordinated Debt Instruments, Macquarie Bank must, subject to certain exceptions, pay such additional amounts as may be necessary in order to ensure that the net amount received by each Subordinated Debt Instrument Holder after such withholding or deduction is equal to the respective amount which would have been received had no such withholding or deduction been required. No additional amounts are payable in relation to any payment in respect of the Subordinated Debt Instrument to, or to a third party on behalf of, a holder of the Subordinated Debt Instrument who is liable for the taxes in respect of the Subordinated Debt Instrument by reason of the Subordinated Debt Instrument Holder being an "associate" of Macquarie Bank for the purposes of Section 128F(9) of the Australian Tax Act. If Macquarie Bank is compelled by law in relation to any Subordinated Debt Instrument to make any such withholding or deduction and is required to pay the additional amounts mentioned above as a result of a change in law or regulation or any change in the application or official interpretation of such laws or regulations, Macquarie Bank may have the option to redeem all or some of the Subordinated Debt Instruments in accordance with the relevant Pricing Supplement.

3 Other Australian tax matters

Under Australian laws as presently in effect:

(a) *income tax – offshore Subordinated Debt Instrument Holders* – assuming the requirements of Section 128F of the Australian Tax Act are satisfied with respect to the Subordinated Debt Instruments issued by Macquarie Bank out of its Sydney head office, payment of principal and interest to a Subordinated Debt Instrument Holder who is a non-resident of Australia and who, during the taxable year, does not hold the Subordinated Debt Instruments in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income taxes;

(b) *income tax – Australian Subordinated Debt Instrument Holders* – Australian residents or non-Australian residents who hold the Subordinated Debt Instruments in the course of carrying on business at or through a permanent establishment in Australia ("**Australian Subordinated Debt Instrument Holders**"), will be assessable for Australian tax purposes on income either received or accrued due to them in respect of the Subordinated Debt Instruments. Whether income will be recognised on a cash receipts or accruals basis will depend upon the tax status of the particular Subordinated Debt Instrument Holder and the applicable terms and conditions of the Subordinated Debt Instruments. Special rules apply to the taxation of Australian residents who hold the Subordinated Debt Instruments in the course of carrying on business at or through a permanent establishment outside Australia, which vary depending on the country in which that permanent establishment is located;

(c) *gains on disposal of Subordinated Debt Instruments – offshore Subordinated Debt Instrument Holders* – A Subordinated Debt Instrument Holder who is a non-resident of Australia and who, during the taxable year, does not hold the Subordinated Debt Instruments in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income tax on gains realised during that year on the sale or redemption of the Subordinated Debt Instruments provided such gains do not have an Australian source. A gain arising on the sale of the Subordinated Debt Instruments by a non-Australian resident Subordinated Debt Instrument Holder to another non-Australian resident where the Subordinated Debt Instruments are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia would not generally be regarded as having an Australian source.

If the gain arising on the sale of Subordinated Debt Instruments has an Australian source, a Subordinated Debt Instrument Holder may be eligible for relief from Australian tax on such gain under a double tax convention between Australia and the Subordinated Debt Instrument Holder's country of residence. If protection from Australian income tax is not available under a double tax convention, it may be necessary to take into account exchange rate movements during the period that the Subordinated Debt Instruments were held in calculating the amount of the gain;

(d) *gains on disposal of Subordinated Debt Instruments – Australian Securityholders* – Australian Subordinated Debt Instrument Holders will be required to include any gain on disposal of the Subordinated Debt Instruments in their assessable income. Special rules apply to the taxation of Australian residents who hold the Subordinated Debt Instruments in the course of carrying on business at or through a permanent establishment outside Australia, which vary depending on the country in which that permanent establishment is located;

(e) *death duties* – no Subordinated Debt Instruments will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death;

(f) *stamp duty and other taxes* – assuming that the Subordinated Debt Instruments are debt interests under the Australian Tax Act, no *ad valorem* stamp duty or issue, registration or similar taxes are payable in any Australian State or Territory on the issue, transfer or redemption of any Subordinated Debt Instruments or on the issue or transfer of MGL Ordinary Shares including on Exchange as long as MGL is listed, all its shares are quoted on the ASX and no holder (alone or with associates) will acquire or hold a 90% or more interest in MGL. In some circumstances, interests of persons who are not associates can be aggregated together in determining whether that threshold is met or exceeded;

(g) *TFN withholding taxes* – withholding tax is imposed (see below for the rate of withholding tax) on the payment of interest on Subordinated Registered Debt Instruments unless the relevant Subordinated Debt Instrument Holder has quoted a tax file number ("**TFN**"), in certain circumstances an Australian Business Number ("**ABN**") or proof of some other exception (as appropriate).

Assuming the requirements of section 128F are satisfied with respect to the Subordinated Debt Instruments where issued by Macquarie Bank through its Sydney head office, then the TFN withholding requirements of Australia's tax legislation do not apply in respect of such issuances to payments to a holder of Subordinated Registered Debt Instruments who is not a resident of Australia and does not hold those Subordinated Debt Instruments in the course of carrying on business at or through a permanent establishment in Australia. Payments to other persons or in other circumstances may be subject to TFN withholding where that person does not quote a TFN or (if applicable) an ABN or provide proof of an appropriate exemption.

Under current law, a withholding rate of 47% applies;

(h) *supply withholding tax* – payments in respect of the Subordinated Debt Instruments can be made free and clear of the "supply withholding tax" imposed under section 12-190 of Schedule 1 to the Taxation *Administration Act 1953* (Cth) of Australia;

(i) *goods and services tax ("**GST**")* – neither the issue nor receipt of the Subordinated Debt Instruments will give rise to a liability for GST in Australia on the basis that the supply of Subordinated Debt Instruments will comprise either an input taxed financial supply or (in the case of certain offshore subscribers) a GST-free supply. Furthermore, neither the payment of principal or interest by Macquarie Bank, nor the disposal of the Subordinated Debt Instruments, nor the Exchange of Subordinated Debt Instruments into MGL Ordinary Shares would give rise to any GST liability in Australia;

(j) *qualifying securities* - certain Subordinated Debt Instruments may be "*qualifying securities*" if they are issued at a discount or with a maturity premium or do not pay interest at least annually, and the term of which, ascertained as at the time of issue will, or is reasonably likely to, exceed one year. These Subordinated Debt Instruments will generally be subject to the taxation of financial arrangements regime in Division 230 of the Australian Tax Act (see paragraph (n) below). If such Subordinated Debt Instruments are issued, further information on Australia's accruals regime will be specified in the relevant Pricing Supplement (or another relevant supplement to this Offering Circular);

(k) *additional withholdings from certain payments to non-Australian residents* – the Governor-General may make regulations requiring withholding from certain payments to non-Australian residents (other than payments of interest or other amounts which are already subject to the current IWT rules or specifically exempt from those rules). Regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to the assessable income of foreign residents. The possible

application of any future regulations to the proceeds of any sale of the Subordinated Debt Instruments will need to be monitored;

(l) *garnishee directions by the Commissioner of Taxation* – the Commissioner of Taxation of Australia may give a direction under section 255 of the Australian Tax Act or section 260-5 of Schedule 1 of the *Taxation Administration Act 1953* (Cth) of Australia (or any other analogous provision under another statute) requiring Macquarie Bank to deduct from any payment to any other entity (including any Subordinated Debt Instrument Holder) any amount in respect of Australian tax payable by that other entity. If Macquarie Bank is served with such a direction in respect of a Subordinated Debt Instrument Holder, then Macquarie Bank will comply with that direction and, accordingly, will make any deduction or withholding in connection with that direction. For example, in broad terms, if an amount was owing by Macquarie Bank to a Subordinated Debt Instrument Holder and that holder had an outstanding Australian tax-related liability owing to the Commissioner, the Commissioner may issue a notice to Macquarie Bank requiring Macquarie Bank to pay the Commissioner the amount owing to the holder;

(m) *taxation of foreign exchange gains and losses* - Divisions 230, 775 and 960 of the Australian Tax Act contain rules to deal with the taxation consequences of foreign exchange transactions. The rules are complex and may apply to any Subordinated Debt Instrument Holder if the Subordinated Debt Instruments are not denominated in Australian Dollars. Any such Subordinated Debt Instrument Holder should consult their professional advisors for advice as to how to tax account for any foreign exchange gains or losses arising from their holding of those Subordinated Debt Instruments;

(n) *taxation of financial arrangements* - Division 230 of the Australian Tax Act contains tax-timing rules for certain taxpayers to bring to account gains and losses from "*financial* arrangements".

The rules may not apply to holders of Subordinated Debt Instruments which are individuals and certain other entities (e.g. certain superannuation entities and managed investment schemes) that do not meet various turnover or asset thresholds unless they make an election that the rules apply to their "*financial arrangements*". Potential Subordinated Debt Instrument Holders should seek their own tax advice regarding their own personal circumstances as to whether such an election should be made.

The rules in Division 230 do not alter the rules relating to the imposition of IWT. In particular, the rules do not override the IWT exemption available under Section 128F of the Australian Tax Act for Subordinated Debt Instruments issued by Macquarie Bank out of its Sydney head office; and

(o) *taxation consequences upon Exchange* – the taxation consequences which may arise on the Exchange of Subordinated Debt Instruments into MGL Ordinary Shares are complex. In some cases, any gain or loss on the Exchange may be disregarded under the Australian Tax Act. There are also a range of tax consequences which may apply to shareholders, or particular shareholders, in holding, acquiring or disposing of MGL Ordinary Shares. Subordinated Debt Instrument Holders should seek their own taxation advice if their Subordinated Debt Instruments are Exchanged for MGL Ordinary Shares.

U.S. Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended (the "**Code**") impose a 30% withholding tax on payments of U.S. source interest (including original issue discount), paid to certain non-U.S. financial institutions that fail to comply with registration requirements and information reporting requirements in respect of their direct and indirect United States shareholders and/or United States account

holders. In addition, FATCA generally imposes a withholding tax of 30% on payments of U.S. source interest (including original issue discount) on debt obligations giving rise to U.S. source interest and paid to certain non-financial foreign entities (as defined under FATCA) unless such non-financial foreign entity provides the withholding agent with certain certifications or information relating to U.S. ownership of the entity. Under certain circumstances, such foreign persons might be eligible for refunds or credits of such taxes. If interest on the Subordinated Debt Instruments is treated as U.S. source income, these rules will currently apply to payments of interest (including original issue discount) on the Subordinated Debt Instruments. If a holder of a Subordinated Debt Instrument is subject to withholding pursuant to this paragraph, there will be no additional amounts payable by way of compensation to the holder of a Subordinated Debt Instrument for the deducted amount.

The Australian Government and the U.S. Government signed an intergovernmental agreement on April 28, 2014 (the "*Australian IGA*"), providing an alternative means for Australian financial institutions such as Macquarie Bank to comply with FATCA. The obligations for Australian financial institutions under the Australian IGA include IRS registration and due diligence and reporting obligations. On May 29, 2014, the Australian Government implemented domestic legislation that enacted the Australian IGA obligations into Australian law. The Australian IGA obligations for Australian financial institutions commenced on July 1, 2014. Macquarie Bank may be subject to U.S. withholding tax if it fails to implement such Australian IGA obligations. Holders of Subordinated Debt Instrument on which interest is not treated as U.S. source income may become subject to U.S. withholding if such holders fail to provide information requested by Macquarie Bank or a withholding agent. However, withholding on such Subordinated Debt Instruments would in any event generally not apply to payments made before the date that is two years after the date on which final regulations defining foreign passthru payments are published. Moreover, such withholding would only apply to Subordinated Debt Instruments issued at least six months after the date on which final regulations defining the term "*foreign passthru payment*" are filed with the Federal Register.

If an amount in respect of FATCA Withholding were to be deducted or withheld from interest, principal or other payments made in respect of the Subordinated Debt Instrument, neither Macquarie Bank nor any paying agent nor any other person would, pursuant to the conditions of the Subordinated Debt Instrument, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

Each holder of a Subordinated Debt Instrument should consult its own tax advisor regarding FATCA in light of such holder's particular situation and the potential impact of the implemented Australian IGA.

9. Use of Proceeds

Proceeds realised from the issuance of Subordinated Debt Instruments under the Programme will be used by Macquarie Bank for the Macquarie Bank Group's general corporate purposes or such other purposes as may be specified in the relevant Pricing Supplement.

10. General Information

1 Authorisation

Macquarie Bank has obtained all necessary consents, approvals and authorisations in Australia in connection with the issue and performance of the Subordinated Debt Instruments. The establishment and update of the Programme and the issue of the Subordinated Debt Instruments by Macquarie Bank were authorised by resolutions of the board of directors of Macquarie Bank on 2 November 2023, 31 October 2024 and 6 November 2025 and various resolutions of a board delegated committee of Macquarie Bank and MGL, most recently on 1 June 2026.

2 Documents available

For so long as any Subordinated Debt Instruments shall be outstanding or the Programme remains in effect, copies of the following documents may be inspected by Holders and Couponholders during normal business hours at, and copies of documents (f) and (g) are available free of charge from, the specified office of the I&P Agent and any Transfer Agent (being Citibank, N.A., London Branch or any of its successors in such capacity) or any registrar as set out at the end of this Offering Circular and/or from the registered office of Macquarie Bank:

(a) the MBL Constitution;

(b) the Euro Agency Agreement (which includes the forms of the Subordinated Global Debt Instruments, the Subordinated Definitive Debt Instruments, the Coupons, the Talons and the form of certificate relating to the Subordinated Registered Debt Instruments) and any agreement which amends or supplements it;

(c) the Deed of Covenant;

(d) the MGL Constitution;

(e) the MGL Deed of Undertaking;

(f) a copy of this Offering Circular, together with any supplement to this Offering Circular; and

(g) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Offering Circular.

3 Clearing

The Subordinated Debt Instruments (other than Subordinated Debt Instruments in the form of Australian Domestic Notes) have been accepted for clearance through Euroclear and Clearstream. The appropriate Common Code and International Securities Identification Number ("**ISIN**") in relation to the Subordinated Debt Instruments of each Series will be specified in the relevant Pricing Supplement.

Pursuant to the Euro Agency Agreement the I&P Agent shall arrange that, where a further Tranche of Subordinated Debt Instruments (other than Subordinated Debt Instruments in the form of Australian Domestic Notes) is issued which is intended to form a single Series with an existing Tranche of Subordinated Debt Instruments, the Subordinated Debt Instruments of such further Tranche shall be assigned a Common Code and ISIN by Euroclear and Clearstream which are different from the Common Code and ISIN.

The Legal Entity Identifier of the Issuer is 4ZHCHI4KYZG2WVRT8631.

Subordinated Debt Instruments in the form Australian Domestic Notes will be issued in registered form only and may be lodged in the Austraclear System

4 Australian approvals

No approvals are currently required under Australian law for or in connection with the issue of the Subordinated Debt Instruments by Macquarie Bank or for or in connection with the performance and enforceability of such Subordinated Debt Instruments or Coupons. However, regulations in Australia prohibit payments, transactions and dealings with assets or named individuals or entities subject to international sanctions or associated with terrorism.

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Subordinated Fixed Rate Debt Instrument Pricing Supplement

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 (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 Subordinated Debt Instruments 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).

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

UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Subordinated Debt Instruments has led to the conclusion that: (i) the target market for the Subordinated Debt Instruments is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law in the United Kingdom ("**UK**") by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Subordinated Debt Instruments to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Subordinated Debt Instruments (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a 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 Subordinated Debt Instruments (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

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

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Subordinated Debt Instruments are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is either one (or both) of the following: (i) 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 in the UK by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Subordinated Debt Instruments or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Subordinated Debt Instruments or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

PRICING SUPPLEMENT DATED 16 NOVEMBER 2026

MACQUARIE BANK LIMITED

(ABN 46 008 583 542)
(incorporated with limited liability in the Commonwealth of Australia)

Issue of

EUR 500,000,000 4.811% Fixed Rate Reset Subordinated Debt Instruments due 18 November 2036

under the

A$10,000,000,000 SUBORDINATED TIER 2 DEBT INSTRUMENT PROGRAMME

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions ("**Conditions**") set forth in the Offering Circular dated 5 June 2026 ("**Offering Circular**"). This document constitutes the Pricing Supplement of a Tranche of Subordinated Fixed Rate Reset Debt Instruments described herein ("**Subordinated Debt Instruments**") and must be read in conjunction with the Offering Circular. Full information on the Issuer and the offer of the Subordinated Debt Instruments is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. The Offering Circular is available for viewing at www.macquarie.com.au.

1	Issuer:		Macquarie Bank Limited (LEI: 4ZHCHI4KYZG2WVRT8631)
2	(i)	Fungible with existing Series:	Not Applicable
	(ii)	Series Number:	12
	(iii)	Tranche Number:	1
3	Specified Currency:		Euro ("**EUR**")
4	Aggregate nominal amount:		
	(i) Series:		EUR 500,000,000

	(ii) Tranche:		EUR 500,000,000
5	Issue Price:		100 per cent. of the aggregate nominal amount
6	Specified Denominations:		EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. No Subordinated Debt Instruments in definitive form will be issued with a denomination above EUR 199,000
7	(i)	Issue Date:	18 November 2026
	(ii)	Trade Date:	10 November 2026
	(iii)	Interest Commencement Date:	Issue Date
8	Maturity Date:		18 November 2036
9	Interest Basis:		4.811 per cent fixed rate from (and including) the Issue Date to (but excluding) the Optional Redemption Date ("**Initial Period**") A fixed rate per annum equal to the Reset Interest Rate (as defined in paragraph 13(i)) from (and including) the Optional Redemption Date to (but excluding) the Maturity Date ("**Reset Period**") (further particulars specified below)
10	Redemption Basis:		Redemption at par
11	Australian Domestic Note:		Not Applicable
12	Public Offer Test Compliant:		It is the Issuer's intention that the Subordinated Debt Instruments will be issued in a manner which will seek to satisfy the public offer test in accordance with section 128F of the *Income Tax Assessment Act 1936* (Cth)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13	**Fixed Rate Subordinated Debt Instrument Provisions:**		Applicable
	(i)	Interest Rate(s):	4.811 per cent. per annum during the Initial Period and a fixed rate per annum equal to the Reset Interest Rate during the Reset Period, in each case, payable annually in arrear where:

"**Five-year Euro Mid-Swap Reference Rate**" means:

(a) the annual mid-market euro swap rate EURIBOR basis having a five year maturity appearing on Reuters page "ICESWAP2" (or such other page as may replace such page on Reuters, or such other information service as may be nominated or authorised by the person providing or sponsoring the information appearing on such page for the purposes of displaying comparable rates) (the "**Relevant Screen Page**") at approximately 11:00 a.m. (Frankfurt time) on the Reset Determination Date; or

(b) if the Relevant Screen Page is not available or such swap rate does not appear on the Relevant Screen Page at such time on the Reset Determination Date, the Reset Reference Bank Rate.

"**Five-year Mid-Swap Rate Quotations**" means the arithmetic mean of the bid and offer rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating Euro interest rate swap transaction which:

(a) has a term of five years commencing on the Optional Redemption Date;

(b) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market; and

(c) has a floating leg based on 6-month EURIBOR rate (or in the event that EURIBOR has been discontinued such other successor benchmark rate as the financial industry shall have accepted as a successor or substitute rate) (calculated on an Actual/360 day count basis).

"**Reset Determination Date**" means the day which is two T2 Business Days preceding the Optional Redemption Date.

"**Reset Interest Rate**" means the rate equal to the sum of the Five-year Euro Mid-Swap Reference Rate and the Spread.

			"**Reset Reference Bank Rate**" means, in relation to the Optional Redemption Date and the relevant Reset Determination Date, the rate determined by the I&P Agent on the basis of the Five-year Mid-Swap Rate Quotations provided by the Reset Reference Banks to the I&P Agent at approximately 11:00 a.m. (Frankfurt time) on the Reset Determination Date. If at least three such Five-year Mid-Swap Rate Quotations are provided, the rate for the Optional Redemption Date will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two such Five-year Mid-Swap Rate Quotations are provided, it will be the arithmetic mean of the quotations provided. If only one quotation is provided, it will be the quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be the last available Five-Year Mid-Swap Rate Quotation on the Relevant Screen Page. "**Reset Reference Banks**" means five leading swap dealers in the Euro-zone interbank market for swap transactions as agreed between the I&P Agent and the Issuer (but excluding the I&P Agent or any of its affiliates). "**Spread**" means 1.55 per cent. per annum.
	(ii)	Interest Payment Date(s):	18 November in each year, commencing on 18 November 2027
	(iii)	Fixed Coupon Amount:	EUR 48.11 per EUR 1,000 in respect of the Initial Period
	(iv)	Broken Amount:	Not Applicable
	(v)	Day Count Fraction:	Actual/Actual-ICMA, unadjusted
	(vi)	Business Day Convention:	Following Business Day Convention
	(vii)	Other terms relating to the method of calculating interest for fixed rate Subordinated Debt Instruments:	Not Applicable
14	**Floating Rate Subordinated Debt Instrument Provisions:**		Not Applicable

PROVISIONS RELATING TO REDEMPTION

15	**Redemption at Issuer's option (Call) (Condition 6.2):**		Applicable
	(i)	Optional Redemption Date(s):	18 November 2031
	(ii)	Notice period (if other than set out in the Conditions):	Not more than 60 nor less than 15 days' notice

GENERAL PROVISIONS APPLICABLE TO THE SUBORDINATED DEBT INSTRUMENTS

16	**Form of Subordinated Debt Instrument:**		
	(i)	Form:	Subordinated Registered Debt Instrument
	(ii)	Type:	Subordinated Fixed Rate Debt Instrument
17	**Additional Business Centre or other special provisions relating to Payment Dates:**		Sydney For the avoidance of doubt, "business day" for the Subordinated Debt Instruments shall include the following: (a) London; (b) Sydney; and (c) T2.
18	**Talons for future Coupons or Receipts to be attached to Subordinated Definitive Debt Instruments (and dates on which such Talons mature):**		No
19	**Other terms:**		Not Applicable
	(i)	Payments in Australian Dollars:	Not Applicable
	(ii)	Exceptions to Condition 10:	Not Applicable
	(iii)	Other currency of account:	Not Applicable
	(iv)	Place of publication of notice for Subordinated Bearer Debt Instruments:	Not Applicable
	(v)	Payment Business Day (if other than set out in the Conditions):	London, Sydney and T2
20	**ISIN:**		XS3569201042

21	**Common Code:**		356920104
22	**Clearing System(s) other than Euroclear or Clearstream:**		Not Applicable
23	**Listing:**		Application is expected to be made by the Issuer for the Subordinated Debt Instruments to be listed as a debt security on the Australian Securities Exchange on or about the Issue Date.

DISTRIBUTION

24	Method of distribution:		Syndicated
25	(i)	If syndicated, names of relevant Dealers:	BNP PARIBAS, HSBC Bank plc, ING Bank N.V., Macquarie Bank Limited (London Branch), Macquarie Bank Europe Designated Activity Company, acting through its Paris Branch, Natixis and Société Générale
	(ii)	Date of Subscription Agreement:	16 November 2026
26	**If non-syndicated, name of relevant Dealer:**		Not Applicable
27	**Stabilisation Manager(s) (if any):**		Not Applicable
28	**Total commission and concession:**		0.40 per cent of the aggregate nominal amount of Subordinated Debt Instruments
29	**Additional selling restrictions:**		Not Applicable
30	**U.S. Selling Restrictions**		Reg S Category 2; TEFRA Not Applicable
31	**Prohibition of Sales to EEA Retail Investors:**		Applicable
32	**Prohibition of Sales to UK Retail Investors:**		Applicable

RATINGS

33	Ratings:	The Subordinated Debt Instruments to be issued are expected to be rated: Fitch: BBB+ S&P: BBB+ Moody's: A3 subject to any Moody's ratings action as described in Section 1 ("Overview of

the Programme – Credit Ratings") of the Offering Circular

A credit rating is not a recommendation to buy, sell or hold Subordinated Debt Instruments and may be subject to revision, suspension or withdrawal at any time by the relevant rating agency.

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and anyone who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.

OTHER INFORMATION

34	Modifications to disclosure:	Not Applicable

PURPOSE OF THE PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue of the Subordinated Debt Instruments described herein pursuant to the A$10,000,000,000 Subordinated Debt Instrument Programme of Macquarie Bank Limited.

CONFIRMED

MACQUARIE BANK LIMITED

By: 

Andrew Colman

Authorised Person

By: 

Daniel Saad

Authorised Person