IMPORTANT NOTICE

THE ATTACHED BASE OFFERING CIRCULAR MAY ONLY BE DISTRIBUTED TO PERSONS WHO ARE NOT U.S. PERSONS OR WHO ARE NOT PERSONS ACTING FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATION S OF THE SECURITIES ACT (AS DEFINED BELOW)) AND ARE OUTSIDE OF THE UNITED STATES.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached base offering circular (the "Base Offering Circular") whether received by e-mail, accessed from an internet page or otherwise received as a result of electronic communication, and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the Base Offering Circular. In accessing the Base Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from any of Burgan Senior SPC Limited (the "the Issuer"), Burgan Bank K.P.S.C. (the "Bank" or the "Guarantor"), the Arrangers and the Dealers (each as defined in the Base Offering Circular) as a result of such access. You acknowledge that this electronic transmission and the delivery of the Base Offering Circular is confidential and intended only for you and you agree you will not reproduce or publish this electronic transmission or forward the Base Offering Circular to any other person.

RESTRICTIONS: UNDER NO CIRCUMSTANCES SHALL THE BASE OFFERING CIRCULAR CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THE SECURITIES IN THE UNITED STATES OR ANY OTHER JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL. ANY SECURITIES TO BE ISSUED HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED DIRECTLY OR INDIRECTLY WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (REGULATION S)) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE AND LOCAL SECURITIES LAWS.

THE BASE OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON WITHOUT THE PRIOR WRITTEN CONSENT OF THE ARRANGERS AND THE DEALERS AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. DISTRIBUTION OR REPRODUCTION OF THE BASE OFFERING CIRCULAR IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE SECURITIES LAWS OF OTHER JURISDICTIONS.

WITHIN THE UNITED KINGDOM, THE BASE OFFERING CIRCULAR, ANY PRICING SUPPLEMENT (AS DEFINED HEREIN) AND ANY OTHER MARKETING MATERIALS RELATING TO THE NOTES IS DIRECTED ONLY AT (A) PERSONS WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE "**FINANCIAL PROMOTION ORDER**"), OR (B) WHO ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE FINANCIAL PROMOTION ORDER, OR (C) TO WHOM IT MAY OTHERWISE LAWFULLY BE DISTRIBUTED IN ACCORDANCE WITH THE FINANCIAL PROMOTION ORDER (ALL SUCH PERSONS IN (A), (B) AND (C) ABOVE TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**"). THE BASE OFFERING CIRCULAR MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THE BASE OFFERING CIRCULAR RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. FOR A MORE COMPLETE DESCRIPTION OF RESTRICTIONS ON OFFERS AND SALES, SEE "*SUBSCRIPTION AND SALE*".

CONFIRMATION OF YOUR REPRESENTATION: By accessing, reading or making any other use of the Base Offering Circular, you shall be deemed to have represented to the Issuer, the Guarantor, the Arrangers and the Dealers that: (i) you understand and agree to the terms set out herein; (ii) you are not a U.S. person (within the meaning of Regulation S), or acting for the account or benefit of any U.S. person, and that you are not in the United States, its

territories and possessions; (iii) in respect of any Notes offered in the United Kingdom, you are a relevant person; (iv) you consent to delivery of the Base Offering Circular and any supplements thereto by electronic transmission; (v) you will not transmit the Base Offering Circular (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the prior written consent of the Arrangers and the Dealers; and (vi) you acknowledge that you will make your own assessment regarding any credit, investment, legal, taxation or other economic considerations with respect to your decision to subscribe or purchase any of the Notes (as defined in the Base Offering Circular).

None of the Arrangers, the Dealers nor any of their respective affiliates, directors, officers, advisers or agents accepts any responsibility whatsoever for the contents of the Base Offering Circular or for any statement made therein, in connection with the Issuer, the Guarantor or the issue and offering of any Notes. The Arrangers, the Dealers and their respective affiliates accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have in respect of the Base Offering Circular or any such statement. No representation or warranty, express or implied, is made by any of the Arrangers, the Dealers or their respective affiliates, directors, officers, advisers or agents as to the accuracy, completeness, verification or sufficiency of the information set out in the Base Offering Circular. None of the Arrangers, the Dealers nor any of their respective affiliates, directors, officers, advisers or agents accepts any responsibility for any acts or omissions of the Issuer, the Guarantor or any other person in connection with the Base Offering Circular and the issue and offering of any Notes.

The Base Offering Circular and any materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where such 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 Arrangers and the Dealers or any affiliate of the Arrangers or the Dealers is a licensed broker or dealer in that jurisdiction the offering shall be deemed to be made by the Arrangers or such Dealer or such affiliate on behalf of the Issuer or the Guarantor in such jurisdiction.

Under no circumstances shall the Base Offering Circular constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of Notes in any jurisdiction in which such offer, solicitation or sale would be unlawful. Recipients of the Base Offering Circular who intend to subscribe for or purchase any Notes to be issued are reminded that any subscription or purchase may only be made on the basis of the information contained in the final version of the Base Offering Circular, the applicable Pricing Supplement and/or supplement(s) to the Base Offering Circular (if any).

The Base Offering Circular has been made available 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 Guarantor, the Arrangers, the Dealers nor any person who controls or is a director, officer, employee or agent of the Issuer, the Guarantor, the Arrangers, the Dealers nor any of their respective affiliates accepts any liability or responsibility whatsoever in respect of any difference between the Base Offering Circular distributed to you in electronic format and the hard copy version. By accessing the Base Offering Circular, you consent to receiving it in electronic form. A hard copy of the Base Offering Circular will be made available to you on request from the Arrangers or the Dealers.

You are reminded that the Base Offering Circular has been delivered to you on the basis that you are a person into whose possession the Base 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 the Base Offering Circular, electronically or otherwise, to any other person and in particular to any U.S. Person or to any U.S. address. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

If you received the Base Offering Circular by e-mail, you should not reply by e-mail to this communication. Any reply e-mail communications, including those you generate by using the "Reply" function on the e-mail software, will be ignored or rejected. Your receipt of the electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

BURGAN SENIOR SPC LIMITED

(incorporated as a special purpose company with limited liability in the Dubai International Financial Centre)

unconditionally and irrevocably guaranteed by

BURGAN BANK K.P.S.C.

(a public shareholding company incorporated in the State of Kuwait)

U.S.$1,500,000,000 Euro Medium Term Note Programme

Under this U.S.$1,500,000,000 Euro Medium Term Note Programme (the "**Programme**"), Burgan Senior SPC Limited (the "**Issuer**") may from time to time issue notes (the "**Notes**") denominated in any currency agreed between the Issuer, the Guarantor (as defined below) and the relevant Dealer (as defined below). The payments of all amounts due in respect of the Notes will be unconditionally and irrevocably guaranteed by Burgan Bank K.P.S.C. (the "**Bank**" or the "**Guarantor**").

Notes may be issued in bearer or registered form (respectively "**Bearer Notes**" and "**Registered Notes**"). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed U.S.$1,500,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under "*General Description of the Programme*" and any additional Dealer appointed under the Programme from time to time by the Issuer (each a "**Dealer**" and together the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this base offering circular (the "**Base Offering Circular**") to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe to such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see "*Risk Factors*".

Application has been made to the London Stock Exchange plc (the "**London Stock Exchange**") for Notes issued under the Programme during the period of 12 months from the date of this Base Offering Circular to be admitted to trading on the London Stock Exchange's International Securities Market ("**ISM**"). The ISM is not a United Kingdom ("**UK**") regulated market for the purposes of Regulation (EU) No 600/2014 on markets in financial instruments as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") ("**UK MiFIR**"). References in this Base Offering Circular to Notes being "admitted to trading" (and all related references) shall mean that such Notes have been admitted to trading on the ISM so far as the context permits. This Base Offering Circular does not constitute a base prospectus for the purposes of Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK Prospectus Regulation**").

The ISM is a market designated for professional investors. Notes admitted to trading on the ISM are not admitted to the Official List of the UK Financial Conduct Authority (the "FCA"). Neither the London Stock Exchange nor the FCA has approved or verified the contents of this Base Offering Circular.

References in this Base Offering Circular to the Notes being **listed** (and all related references) shall mean that, unless otherwise specified in the applicable Pricing Supplement (as defined below), such Notes have been admitted to trading on the ISM.

This Base Offering Circular (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes which are to be admitted to trading on the ISM. The obligation to supplement this Base Offering Circular in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Offering Circular is no longer valid.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under "*Terms and Conditions of the Notes*") of Notes will be set out in a pricing supplement document (the "**Pricing Supplement**") which, with respect to Notes to be admitted to trading on the ISM, will be delivered to the London Stock Exchange. Copies of the Pricing Supplements in relation to Notes to be admitted to trading on the ISM shall also be published on the website of the London Stock Exchange through a regulatory information service or shall be published in such other manner permitted by the International Securities Market Rulebook effective as of 1 January 2021 (as may be modified and/or supplemented and/or restated from time to time, the "**ISM Rulebook**").

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

The Issuer may agree with any Dealer that Notes may be issued in a form or with terms and conditions not contemplated by the conditions of the Notes herein, in which event a supplemental Base Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

The Bank has a long-term rating of BBB+ and a short-term rating of A-2 from S&P Global Ratings Europe Limited ("**S&P**"); a long-term rating of Baa1 and a short-term rating of P-2 by Moody's Investors Service Ltd. ("**Moody's**"); and a long-term rating of A and a short-term rating of F1 by Fitch Ratings Limited ("**Fitch**"). The Programme has been assigned a long-term senior unsecured rating of A by Fitch and a long-term senior unsecured rating of BBB+ by S&P.

Each of Fitch and Moody's is established in the United Kingdom (the "**UK**") and is registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA (the "**UK CRA Regulation**"). Fitch and Moody's are not establshed in the EEA and have not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**EU CRA Regulation**"). The ratings issued by Fitch have been endorsed by Fitch Ratings Ireland Limited in accordance with the EU CRA Regulation. The ratings of Moody's are endorsed by Moody's Cyprus in accordance with the EU CRA Regulation. Fitch Ratings Ireland Limited and Moody's Cyprus are established in the EEA and registered under the EU CRA Regulation. As such, Fitch Ratings Ireland Limited and Moody's Cyprus are included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the EU CRA Regulation.

S&P is established in the European Union and is registered under the EU CRA Regulation. As such, S&P is included in the list of credit rating agencies published by ESMA on its website (at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the EU CRA Regulation. S&P is not established in the UK.. The ratings assigned by S&P have been endorsed by S&P Global Ratings UK Limited. S&P Global Ratings UK Limited is established in the UK and is registered in accordance with the UK CRA Regulation. As such, the ratings issued by S&P may be used for regulatory purposes in the United Kingdom in accordance with the UK CRA Regulation.

Notes issued under the Programme may be rated or unrated by either of the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will be disclosed in the Pricing Supplement and will not necessarily be the same as the rating assigned to the Programme or Notes already issued by the relevant rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction, revision or withdrawal at any time by the assigning rating agency.

Amounts payable on Floating Rate Notes will be calculated by reference to one of EURIBOR, SHIBOR, HIBOR, SIBOR, KLIBOR, EIBOR, SAIBOR, BBSW, JPY LIBOR, PRIBOR, CNH HIBOR, TRLIBOR or TRYLIBOR, TIBOR or SOFR, as specified in the relevant Pricing Supplement. As at the date of this Base Offering Circular, the administrators of EURIBOR, SIBOR, BBSW, and PRIBOR are included in ESMA's register of administrators under Article 36 of Regulation (EU) No. 2016/1011 (the "**EU Benchmarks Regulation**"). As at the date of this Base Offering Circular, the administrators of SHIBOR, HIBOR, KLIBOR, EIBOR, SAIBOR, JPY LIBOR, CNH HIBOR, TRLIBOR or TRYLIBOR, TIBOR and SOFR are not included in ESMA's register of administrators under Article 36 of the EU Benchmarks Regulation. As far as the Issuer is aware, KLIBOR, EIBOR and SOFR do not fall within the scope of the Benchmarks Regulation by virtue of Article 2 of that Regulation. As far as the Issuer is aware, the transitional provisions in Article 51 of the EU Benchmarks Regulation apply, such that the ICE Benchmark Administration, China Foreign Exchange Trade System, Treasury Markets Association, Refinitiv, JBA TIBOR Administration, and the Banks Association of Turkey are not currently required to obtain authorisation/registration (or, if located outside the European Union and United Kingdom, recognition, endorsement or equivalence).

Arrangers

HSBC **Standard Chartered Bank**

Dealers

Citigroup **HSBC**

Kamco Investment Company K.S.C.P. **Mizuho**

Standard Chartered Bank

The date of this Base Offering Circular is 3 October 2025.

IMPORTANT INFORMATION

This Base Offering Circular does not constitute a base prospectus for the purposes of either the UK Prospectus Regulation or Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**") and has not been approved as such by the competent authority in any member state of the European Economic Area (the "**EEA**") or the FCA. This Base Offering Circular comprises admission particulars in accordance with the ISM Rulebook.

Each of the Issuer and the Bank accepts responsibility for the information contained in this Base Offering Circular and the Pricing Supplement for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer and the Bank the information contained in this Base Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*"), the information on the websites to which this Base Offering Circular refers does not form part of this Base Offering Circular.

Copies of Pricing Supplements will be available from the specified office set out below of the Principal Paying Agent (as defined below) save that, if the relevant Notes are either unlisted and/or not admitted to trading on any market, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer or, as the case may be, the Principal Paying Agent as to its holding of such Notes and identity. Copies of the Pricing Supplements in relation to Notes to be admitted to trading on the ISM will also be published on the website of the London Stock Exchange through a regulatory information service or may be published in such other manner permitted by the ISM Rulebook.

This Base Offering Circular has been prepared on the basis that any offer of securities in the EEA or the UK will be made pursuant to an exemption under the Prospectus Regulation or the UK Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in the EEA or the UK of Notes may only do so in circumstances in which no obligation arises for the Issuer or the Bank to publish a prospectus pursuant to the Prospectus Regulation or the UK Prospectus Regulation in relation to such offer.

None of the Issuer, the Bank, any Dealer or the Arrangers has authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or the Bank to publish or supplement a prospectus for such offer.

Neither the Dealers nor the Arrangers have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers or the Arrangers as to the accuracy or completeness of the information contained in this Base Offering Circular or any other information provided by any Dealer or the Arrangers or the Issuer or the Bank in connection with the Programme. To the fullest extent permitted by law, no Dealer accepts any liability, whether arising in tort or contract or otherwise, which it might otherwise have in respect of this Base Offering Circular or any such statement, including in relation to the information contained in this Base Offering Circular or any other information provided by the Issuer or the Bank in connection with the Programme or the issue or offering of Notes thereunder.

No person is or has been authorised by the Issuer or the Bank to give any information or to make any representation not contained in or not consistent with this Base Offering Circular or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Bank or any of the Dealers.

Neither this Base Offering Circular nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Bank or any of the Dealers that any recipient of this Base Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Bank. Neither this Base Offering Circular nor any other information supplied in

connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer or the Bank or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Offering Circular nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer and/or the 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 in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuer or the Bank during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "**Securities Act**") and the Notes in bearer form are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (see "*Subscription and Sale*").

This Base Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. If a jurisdiction requires that the offering be made by a licensed broker or dealer and a Dealer or any affiliate of a Dealer is a licensed broker or dealer in that jurisdiction the offering shall be deemed to be made by that Dealer or such affiliate on behalf of the Issuer and the Bank in such jurisdiction. The Issuer, the Bank and the Dealers do not represent that this Base Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Bank or the Dealers which is intended to permit a public offering of any Notes or distribution of this Base Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base 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. Persons into whose possession this Base Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Offering Circular and the offer or sale of Notes in the United States, the EEA, the United Kingdom, Japan, Hong Kong, the United Arab Emirates (the "**UAE**") (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre), the Dubai International Financial Centre, the Kingdom of Saudi Arabia ("**Saudi Arabia**"), the Kingdom of Bahrain ("**Bahrain**"), the State of Qatar ("**Qatar**") (including the Qatar Financial Centre), the State of Kuwait ("**Kuwait**") and Singapore (see "*Subscription and Sale*").

In this Base Offering Circular, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

SUITABILITY OF INVESTMENT

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

(i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Base Offering Circular or any applicable supplement;

(ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and

(v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

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) Notes are legal investments for it, (b) Notes can be used as collateral for various types of borrowing and (c) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

No comment is made or advice given by the Issuer, the Bank, the Dealers or the Agents (as defined under "*Terms and Conditions of the Notes*") in respect of taxation matters relating to any Notes or the legality of the purchase of the Notes by an investor under any applicable law or regulation.

EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN TAX ADVISER, LEGAL ADVISER AND BUSINESS ADVISER AS TO TAX, LEGAL, BUSINESS AND RELATED MATTERS CONCERNING THE PURCHASE OF ANY NOTES.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

PRESENTATION OF FINANCIAL INFORMATION

Historical financial statements

The financial statements relating to the Bank and its subsidiaries (together, the **Group**) and incorporated by reference in this Base Offering Circular are:

- the unaudited interim condensed consolidated financial information as at and for the six-month period ended 30 June 2025, which includes comparative financial information as at and for the six-month period ended 30 June 2024 (the **Interim Financial Information**);

- the audited consolidated financial statements as at and for the year ended 31 December 2024, which includes comparative financial information for the year ended 31 December 2023 (the **2024 Financial Statements**); and

- the audited consolidated financial statements as at and for the year ended 31 December 2023, which includes comparative financial information for the year ended 31 December 2022 (the **2023 Financial Statements** and, together with the 2024 Financial Statements, the **Annual Financial Statements**).

The Interim Financial Information and the Annual Financial Statements are together referred to as the **Financial Statements**.

The Annual Financial Statements have been prepared in accordance with the regulations for financial services institutions as issued by the Central Bank of Kuwait (the **CBK**) in the State of Kuwait (**Kuwait**).

The Interim Financial Information has been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* and the regulations for financial services institutions as issued by the CBK in Kuwait.

The regulations referred to above require banks and other financial institutions regulated by the CBK to adopt International Financial Reporting Standards, as issued by International Accounting Standards Board, except for expected credit loss (**ECL**) to be measured at the higher of ECL provision on credit facilities computed under IFRS 9 in accordance with the CBK guidelines or the provisions as required by the CBK

instructions along with its consequent impact on related disclosures. This framework is referred to as **IFRS as adopted by the CBK**.

Reflecting the above, the Financial Statements have not been prepared in accordance with IFRS Accounting Standards as endorsed in the European Union based on Regulation (EC) No 1606/2002. The only material difference between IFRS as adopted by the CBK and IFRS Accounting Standards as endorsed in the European Union is the amendment described above in relation to the measurement of ECL.

The Group's financial year ends on 31 December and references in this Base Offering Circular to **2022**, **2023** and **2024** are, except where the context otherwise requires, to the year ending 31 December in each such year.

Auditors and unaudited information

The Annual Financial Statements have been jointly audited by KPMG (Al Qenae & Partners) **(KPMG Kuwait)** and RSM Albazie & Co (**RSM**) as stated in their reports incorporated by reference in this Base Offering Circular. The Interim Financial Information has been jointly reviewed by KPMG Kuwait and RSM, in accordance with International Standard on Review Engagements 2410, *Review of interim financial information performed by the Independent Auditor of the Entity* as stated in their report incorporated by reference in this Base Offering Circular.

All information in this Base Offering Circular as at, or for the six-month periods ended, 30 June 2025 and 30 June 2024 is unaudited. In addition, certain other financial information in this Base Offering Circular contained in "*Selected Financial Information*" is also unaudited financial information which has been extracted from the accounting records of the Group.

Certain non-IFRS financial information

This Base Offering Circular includes certain financial information which has not been prepared in accordance with IFRS and which also constitute alternative performance measures for the purposes of the ESMA Guidelines on Alternative Performance Measures (**APMs**). None of this financial information is subject to any audit or review by independent auditors.

The Bank believes that the presentation of the APMs is helpful to investors because these and other similar measures are widely used by certain investors, security analysts and other interested parties as supplemental measures of performance and liquidity. However, APMs are not measures of financial performance under IFRS and should not be considered in isolation or as a substitute for operating profit, cash flow from operating activities or other financial measures of the Group's results of operations or liquidity computed in accordance with IFRS. Other companies, including those in the Group's industry, may calculate the APMs presented differently from the Group. As all companies do not calculate similarly titled APMs in the same manner, the Group's presentation of its APMs may not be comparable to other similarly titled measures of other companies.

Sources of financial information

The financial statement information included in this Base Offering Circular relating to the Group has been derived:

- in the case of the unaudited financial information as at and for the six-month periods ended 30 June 2025 and 30 June 2024, from the Interim Financial Information;

- in the case of the financial information as at and for the year ended 31 December 2024, from the 2024 Financial Statements;

- in the case of the financial information as at and for the year ended 31 December 2023, from the 2023 Financial Statements; and

- in the case of the financial information as at and for the year ended 31 December 2022, from the comparative financial information for 2022 included in the 2023 Financial Statements.

PRESENTATION OF OTHER INFORMATION

Currencies

Unless otherwise indicated, in this Base Offering Circular, all references to:

- **dinar** and **KD** are to the lawful currency of Kuwait; and

- **U.S. dollars** and **U.S.$** are to the lawful currency of the United States.

Unless otherwise indicated, the financial information contained in this Base Offering Circular has been expressed in dinar. The Bank's functional currency is dinar and the Group prepares its financial statements in dinar.

Since 1975, the dinar has been pegged to an undisclosed weighted basket of international currencies of Kuwait's major trade and financial partner countries (the **KD Basket**), except between January 2003 and May 2007, when the dinar was pegged to the U.S. dollar within margins around a parity rate. As at 30 June 2025, the dinar was valued at KD 0.30530 to one U.S. dollar and the U.S. dollar was valued at U.S.$3.27547 to one dinar.

Third party and market share data

This Base Offering Circular contains information regarding the Group's business and the industry in which it operates and competes, which the Group has obtained from third party sources. Where third party information has been used in this Base Offering Circular, the source of such information has been identified.

In some cases, independently determined industry data is not available. In these cases, any Group market share data included in this Base Offering Circular is referred to as having been estimated. All such estimates have been made by the Group using its own information and other market information which is publicly available. The Bank believes that these estimates of market share are helpful as they give prospective investors a better understanding of the industry in which the Group operates as well as its position within that industry. Although all such estimations have been made in good faith based on the information available and the Group's knowledge of the market within which it operates, the Bank cannot guarantee that a third-party expert using different methods would reach the same conclusions.

Statistical information relating to Kuwait included in this Base Offering Circular has been derived from official public sources, including the CBK, the Central Statistical Bureau of Kuwait (the **CSB**), the Kuwait Ministry of Finance, the Organization of the Petroleum Exporting Countries (**OPEC**) and the International Monetary Fund (the **IMF**). All such statistical information may differ from that stated in other sources for a variety of reasons, including the use of different definitions and cut-off times. This data may subsequently be revised as new data becomes available and any such revised data will not be circulated by the Group to investors who have purchased Notes issued under the Programme.

Where information has not been independently sourced, it is the Group's own information.

No incorporation of website information

The Bank's website is www.burgan.com. The information on this website or any other website mentioned in this Base Offering Circular or any website directly or indirectly linked to these websites has not been verified and is not incorporated by reference into this Base Offering Circular and investors should not rely on it.

Definitions

In this Base Offering Circular:

- **GCC** means the Gulf Cooperation Council (comprising Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE);
- **Government** means the government of Kuwait; and
- **MENAT region** means the region comprising the Middle East, North Africa and Turkey.

Rounding

The Financial Statements present the Group's results in thousands of dinar, unless otherwise stated. Certain financial statement data in this Base Offering Circular has been expressed in millions of dinar rounded to the nearest whole number. As a result of such rounding, the totals of financial statement data presented in tables in this Base Offering Circular may vary slightly from the arithmetic totals of such data. Where used in tables, the figure "**0**" means that the data for the relevant item has been rounded to zero and the symbol "—" means that there is no data in respect of the relevant item.

In addition, all percentage data in this Base Offering Circular has been rounded to one decimal place, with 0.050 being rounded up.

NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA

This Base Offering Circular may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the "**Capital Markets Authority**").

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Base Offering Circular, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Base Offering Circular. Prospective purchasers of the Notes issued under the Programme should conduct their own due diligence on the accuracy of the information relating to the Notes. If you do not understand the contents of this Base Offering Circular you should consult an authorised financial adviser.

NOTICE TO RESIDENTS OF THE KINGDOM OF BAHRAIN

In relation to investors in the Kingdom of Bahrain, Notes issued in connection with this Base Offering Circular and any related offering documents must be in registered form and must only be marketed to existing accountholders and accredited investors as defined by the Central Bank of Bahrain Rulebook in the Kingdom of Bahrain where such investors make a minimum investment of at least U.S.$100,000 or any equivalent amount in any other currency or such other amount as the Central Bank of Bahrain (the "**CBB**") may determine.

This Base Offering Circular does not constitute an offer of securities in the Kingdom of Bahrain pursuant to the terms of Article (81) of Legislative Decree No.64 of 2006 promulgating the Central Bank and Financial Institutions Law, as amended. This Base Offering Circular and related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no securities may be offered, sold or made the subject of an invitation for subscription or purchase, nor will this Base Offering Circular or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to accredited investors for an offer outside the Kingdom of Bahrain.

The CBB has not reviewed, approved or registered this Base Offering Circular or related offering documents and it has not in any way considered the merits of the securities to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this Base Offering Circular and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this Base Offering Circular. No offer of Notes will be made to the public in the Kingdom of Bahrain and this Base Offering Circular must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

NOTICE TO RESIDENTS OF CANADA

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Base Offering Circular (including any amendment thereto) contains a misrepresentation, **provided that** the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

If applicable, pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

NOTICE TO RESIDENTS OF THE STATE OF QATAR

Any Notes to be issued under the Programme will not be offered or sold at any time, directly or indirectly, in the State of Qatar (including the Qatar Financial Centre) in a manner that would constitute a public offering. This Base Offering Circular has not been and will not be reviewed or approved by or registered with the Qatar Central Bank, the Qatar Stock Exchange, the Qatar Financial Centre Regulatory Authority or the Qatar Financial Markets Authority, in accordance with their regulations or any other regulations in the State of Qatar (including in the Qatar Financial Centre). The Notes are not and will not be traded on the Qatar Stock Exchange. The Notes and interests therein will not be offered to investors domiciled or resident in the State of Qatar and do not constitute debt financing in the State of Qatar under the Commercial Companies Law No. (11) of 2015 or otherwise under any laws of the State of Qatar.

NOTICE TO RESIDENTS OF KUWAIT

Unless all necessary approvals from the Kuwait Capital Markets Authority (the "**CMA**") pursuant to Law No. 7 of 2010, and its executive bylaws (each as amended) (the "**CML Rules**"), together with the various resolutions, regulations, directives and instructions issued pursuant thereto, or in connection therewith (regardless of nomenclature), or any other applicable regulation in Kuwait, have been given in respect of the marketing of, and sale of, the Notes (the "**CMA Approval**"), the Notes may not be offered for sale, nor sold, in Kuwait.

This Base Offering Circular is not for general circulation to the public in Kuwait nor will the Notes be sold by way of a public offering in Kuwait. In the event where the Notes are intended to be purchased onshore in Kuwait pursuant to a CMA Approval, the same may only be so purchased through a licensed person duly authorised to undertake such activity pursuant to the CML Rules. Investors from Kuwait acknowledge that the CMA and all other regulatory bodies in Kuwait assume no responsibility whatsoever for the contents of this Base Offering Circular and do not approve the contents thereof or verify the validity and accuracy of its contents. The CMA, and all other regulatory bodies in Kuwait, assume no responsibility whatsoever for any damages that may result from relying (in whole or in part) on the contents of this Base Offering Circular. Prior to purchasing any Notes, it is recommended that a prospective holder of any Notes seeks

professional advice from its advisors in respect to the contents of this Base Offering Circular so as to determine the suitability of purchasing the Notes.

IMPORTANT – EEA RETAIL INVESTORS

If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the 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 MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – UK RETAIL INVESTORS

If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

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

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

UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET

The Pricing Supplement in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**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 Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor 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(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE *SFA*)

Unless otherwise stated in the applicable Pricing Supplement, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

STABILISATION

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

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some statements in this Base Offering Circular may be deemed to be "forward-looking statements". Forward-looking statements include statements concerning the Bank's plans, objectives, goals, strategies and future operations and performance as well as the assumptions underlying these forward-looking statements. When used in this Base Offering Circular, the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "aims", "seeks", "may", "will", "should" and any similar expressions generally identify forward-looking statements. These forward-looking statements are contained in "Risk Factors", "Description of the Bank" and other sections of this Base Offering Circular. The Bank has based these forward-looking statements on the current view of its management with respect to future events and financial performance. Although the Bank believes that the expectations, estimates and projections reflected in its forward-looking statements are reasonable, if one or more of the risks or uncertainties related to such expectations, estimates and projections materialise (including those identified below or which the Bank has otherwise identified in this Base Offering Circular) or if any of the Bank's underlying assumptions prove to be incomplete or inaccurate, the Bank's actual results of operation may vary from those expected, estimated or predicted.

SUSTAINABLE NOTES

None of the Dealers accepts any responsibility for any social, environmental and sustainability assessment of any Notes issued as Sustainable Notes or makes any representation or warranty or assurance whether such Notes will meet any investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels (including in relation to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy Regulation**") and any related technical screening criteria, Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the "**EU Green Bond Regulation**"), Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("**SFDR**") and any implementing legislation and guidelines, or any similar legislation in the United Kingdom) or any requirements of such labels as they may evolve from time to time. None of the Dealers is responsible for the use or allocation of proceeds for any Notes issued as Sustainable Notes, nor the impact or monitoring of such use of proceeds nor do any of the Dealers undertake to ensure that there are at any

time sufficient Eligible Sustainable Projects (as defined in "*Use of Proceeds*" below) to allow for allocation of a sum equal to the net proceeds of the issue of such Sustainable Notes in full.

In addition, none of the Dealers is responsible for the assessment of the Bank's *Sustainability Finance Framework* (as defined in "*Use of Proceeds*" below) including the assessment of the applicable eligibility criteria in relation to Sustainable Notes set out in therein. Sustainalytics has issued an independent opinion, dated 7 February 2022, on the Bank's Sustainability Finance Framework (the "**Second Party Opinion**"). The Second Party Opinion provides an opinion on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in any Notes, including without limitation market price, marketability, investor preference or suitability of any security. The Second Party Opinion is a statement of opinion, not a statement of fact. No representation or assurance is given by the Dealers as to the suitability or reliability of the Second Party Opinion or any opinion or certification of any third party made available in connection with an issue of Notes issued as Sustainable Notes. As at the date of this Base Offering Circular, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

The Second Party Opinion and any other such opinion or certification is not, nor should be deemed to be, a recommendation by the Dealers, or any other person to buy, sell or hold any Notes and is current only as of the date it is issued. The criteria and/or considerations that formed the basis of the Second Party Opinion or any such other opinion or certification may change at any time and the Second Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein. The Bank's Sustainability Finance Framework may also be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Base Offering Circular. The Bank's Sustainability Finance Framework, the Second Party Opinion and any other such opinion or certification does not form part of, nor is incorporated by reference in, this Base Offering Circular.

In the event any such Notes are, or are intended to be, listed, or admitted to trading on a dedicated "green", "sustainable", "social" or other equivalently labelled segment of a stock exchange or securities market, no representation or assurance is given by the Dealers that such listing or admission will be obtained or maintained for the lifetime of the Notes.

CONTENTS

Page

RISK FACTORS 1
DOCUMENTS INCORPORATED BY REFERENCE 34
OVERVIEW OF THE PROGRAMME 35
TERMS AND CONDITIONS OF THE NOTES 40
FORM OF THE NOTES 76
APPLICABLE PRICING SUPPLEMENT 79
USE OF PROCEEDS 93
DESCRIPTION OF THE ISSUER 94
SELECTED FINANCIAL INFORMATION 96
SUMMARY OF OPERATING PERFORMANCE AND FINANCIAL REVIEW 102
DESCRIPTION OF THE GROUP 110
RISK MANAGEMENT 123
MANAGEMENT AND EMPLOYEES 130
OVERVIEW OF KUWAIT 153
BANKING INDUSTRY AND REGULATION IN KUWAIT 157
TAXATION 163
SUBSCRIPTION AND SALE 166
GENERAL INFORMATION 173
INDEX OF DEFINED TERMS 176

RISK FACTORS

Each of the Issuer and the Bank believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme or under the Guarantee, respectively. All these factors are contingencies which may or may not occur. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below.

Each of the Issuer and the Bank believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of either the Issuer or the Bank to pay interest, principal or other amounts on or in connection with any Notes or to pay any amount in respect of the Guarantee, respectively, may occur for other reasons and the Issuer and the Bank make no representation that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Offering Circular and reach their own views prior to making any investment decision.

Words and expressions defined in "Terms and Conditions of the Notes" shall have the same meanings in this section.

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

The Issuer has a limited operating history and no material assets

The Issuer is a special purpose company with limited liability, incorporated under the laws of the Dubai International Financial Centre on 3 November 2015 and, accordingly, save for the issuance of Notes under the Programme, only has a limited operating history. The Issuer does not have any other income except payments received from the Bank in respect of loans, which will be the only material source of funds available to meet claims of the Noteholders against the Issuer. As a result, the Issuer is subject to all the risks to which the Guarantor is subject, to the extent such risks could limit the Guarantor's ability to satisfy in full and on a timely basis its obligations to the Issuer under any such loans. See "*—Factors that may affect the Bank's ability, in its capacity as Guarantor, to fulfil its obligations under the Notes and/or the Guarantee"*.

FACTORS THAT MAY AFFECT THE BANK'S ABILITY, IN ITS CAPACITY AS GUARANTOR, TO FULFIL ITS OBLIGATIONS UNDER THE NOTES AND/OR THE GUARANTEE

The Group may experience a higher level of customer and counterparty defaults arising from adverse changes in credit and recoverability that are inherent in the Group's business

As a result of market conditions prevailing over the last few years, including volatility in commodity prices (including oil), interest rates and inflation, companies to which the Group directly extends credit have experienced, and may continue to experience, decreased revenues, financial losses, insolvency, difficulty in obtaining access to financing and increased funding costs and some of these companies have been unable to meet their debt service obligations or other expenses as they become due, including amounts payable to the Group.

While the Group has detailed policies to deal with overdue loans and advances to customers and due from banks and other financial institutions (its **total loans and advances**), there can be no assurance that these policies will result in the full or partial recovery of its overdue total loans and advances. As at 30 June 2025, 31 December 2024, 31 December 2023 and 31 December 2022, the Group's non-performing loans (**NPLs**) ratio amounted to 3.2 per cent., 1.8 per cent., 2.0 per cent. and 1.9 per cent., respectively, of its total loans and advances. Any substantial increase in NPLs could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Macro-economic and financial market conditions have materially adversely affected and may continue to materially adversely affect the Group's business, results of operations and financial condition

The Group's operations are focused on the MENAT region. While the Bank's primary operations are based in Kuwait, the Group also operates through subsidiaries in Turkey, Bahrain, Algeria and Tunisia. See "*Description of the Group—Business overview*" for further details on the contribution of the subsidiaries to the assets and income of the Group. The demand for services provided by the Group is particularly susceptible to adverse changes in economic and market conditions in the MENAT region and the Group's operations are therefore exposed to geopolitical risks associated with the relatively unstable MENAT region which could adversely affect its performance.

Kuwait's economy experienced accelerated growth in 2022 after oil prices surged in February triggered by Russian invasion of Ukraine and the sanctions imposed on Russia by many countries in response. Oil prices decreased in 2023 following changes in the sanctions regime imposed on Russia at the end of 2022 and weaker-than-anticipated demand. During 2024, oil prices remained relatively stable although they declined in the first six months of 2025. See also "*—risks relating to Kuwait and the MENAT region—Kuwait's economy and government revenues are significantly impacted by, and are dependent upon, international oil prices*" below.

Consumer inflation increased significantly in 2022 and 2023 compared to 2021, accompanied by increased interest rates as central banks around the world sought to counter high levels of inflation by raising interest rates. Although inflation and interest rates began to decline in 2024, inflation remains elevated.

Except where otherwise stated, according to the CBK (sourced to data published by the CSB in the case of GDP and consumer price index (**CPI**) data and the Kuwait Ministry of Finance in the case of public finance data):

- Kuwait's real GDP increased by 6.8 per cent. in 2022, decreased by 1.7 per cent. in 2023 and decreased by 2.6 per cent. in 2024. According to the IMF's World Economic Outlook Database (April 2025), Kuwait's real GDP is predicted to increase by 1.9 per cent. in 2025;

- the General budget in Kuwait recorded a deficit of KD 4.3 billion in the fiscal year ended 31 March 2022 (equal to 7.7 per cent. of GDP), a surplus of KD 6.4 billion in the fiscal year ended 31 March 2023 (equal to 12.7 per cent. of GDP), a deficit of KD 1.6 billion in the fiscal year ended 31 March 2024 (equal to 3.2 per cent. of GDP) and a deficit of KD 1.0 billion in the fiscal year ended 31 March 2025;

- the CPI in Kuwait was 127.6 in December 2022, 131.9 in December 2023, 135.2 in December 2024 and 136.9 in June 2025;

- the CBK's discount rate, was 3.5 per cent. at the end of 2022, 4.25 per cent. at the end of 2023, 4.0 per cent. at both the end of 2024 and as at 30 June 2025 and 3.75 per cent. as at 30 September 2025; and

- the CBK's average selling rate of the dinar against the U.S. dollar for the fiscal years ended 31 March in each of 2023, 2024 and 2025 and the first quarter of the fiscal year ending 31 March 2026 amounted to 307 fils, 308 fils, 307 fils and 307 fils, respectively. Despite this relative stability, the exchange rate of the dinar against other currencies could fluctuate due to macro-economic volatility.

Any significant deterioration in macro-economic conditions in the MENAT region, and particularly in Kuwait and the other jurisdictions in which the Group has a presence, could have a material adverse effect on the Group's business, results of operations and financial condition, including through increased provisions for credit losses and reduced demand for loans and other banking services.

Notwithstanding that the Group's activities are concentrated in the MENAT region, it is still exposed to global macro-economic developments. As stated in its July 2025 World Economic Outlook Update, the IMF projects global economic growth at 3.0 per cent. in 2025 and 3.1 per cent. in 2026. Potential risks highlighted by the IMF include a rebound in effective tariff rates that could lead to weaker growth and elevated uncertainty weighing more heavily on business activity, geopolitical tensions disrupting global supply chains and increasing commodity prices, larger fiscal deficits or increased risk aversion increasing long-term interest rates and tightening global financial conditions. Each of these, in turn, could adversely impact the Group.

The Group's financial assets are concentrated by client, geography and sector

As at 30 June 2025 and 31 December 2024, the Group's top 10 largest loans and advances accounted for 26.0 per cent. and 27.2 per cent., respectively, of its gross loans and advances to customers plus due from other financial institutions. A sizable proportion of the Group's loans and advances to customers comprise of exposures to related parties, see "*Ownership concentration and related party exposures"* below. Accordingly, of the top 10 largest loans, 69.6 per cent. as at 30 June 2025 and 69.8 per cent. as at 31 December 2024 (representing 16.9 per cent. and 17.9 per cent. of its gross loans and advances to customers plus due from other financial institutions as at 30 June 2025 and 31 December 2024, respectively) were made to related parties.

In terms of geographic concentration, 58.5 per cent. of the Group's financial assets and 74.9 per cent. of its commitments and contingent liabilities as at 31 December 2024 were attributable to Kuwait exposure which means that any significant deterioration in general economic conditions in Kuwait could have a material adverse effect on the Group's business, results of operations and financial condition, see "*—Macro-economic and financial market conditions have materially adversely affected and may continue to materially adversely affect the Group's business, results of operations and financial condition*" above.

In terms of sector, 21.7 per cent. of the Group's financial assets and commitments and contingent liabilities as at 31 December 2024 related to the personal sector, 15.5 per cent. represented exposure to sovereigns, 12.0 per cent. represented exposure to the banking sector and 10.8 per cent. represented exposure to the real estate sector. The Group has indirect exposure to the oil and gas sector including through entities and projects related to the Kuwait sovereign and accordingly any deterioration in oil and gas prices may adversely impact the Group both directly through its exposure to these projects and indirectly due to a deterioration in other sectors of the Kuwait economy. In addition, the banking sector is particularly exposed to adverse economic conditions, the real estate market is cyclical and personal borrowers are also impacted by economic conditions, particularly inflation, unemployment, wage freezes and house price declines.

If Kuwait experiences adverse economic conditions or a crisis in the real estate sector, the negative impact on the Group may be significant given its financial asset concentrations described above.

A substantial increase in provisions for credit losses, or incurred losses greater than the level of existing provisions, could adversely affect the Group's results of operations and financial condition

The Group is required to recognise provisions for credit facilities at an amount equal to the higher of (i) the ECL under IFRS 9 according to CBK guidelines and (ii) the provisions required by CBK instructions.

The Group's overall level of impairment allowances is based upon a wide range of factors, including the volume and type of lending conducted, the collateral held, applicable regulations, past due facilities, economic conditions and other factors related to the recoverability of various facilities. Although the Group endeavours to establish an appropriate level of provisions in accordance with applicable requirements, there can be no assurance that the Group will always have taken sufficient provisions. Accordingly, the Group may have to significantly increase its provisions for credit losses in the future due to increases in non-performing assets, deteriorating economic conditions (especially from the impact of any volatility in

commodity prices, interest rates and inflation or any other macro-economic disruptions) leading to increases in defaults and bankruptcies, or for other reasons.

As at 31 December 2024, the Group had past due or impaired credit facilities amounting to KD 246 million compared to KD 321 million as at 31 December 2023 and KD 262 million as at 31 December 2022.

As at 31 December 2024, the Group's provision for credit losses on loans and advances to customers amounted to KD 125 million compared to KD 183 million as at 31 December 2023 and KD 156 million as at 31 December 2022.

Any significant increase in provisions for credit losses reflecting a change in the Group's estimation of its credit losses, however caused, as well as the occurrence of losses exceeding the provisions made, could have an adverse effect on the Group's business, results of operations and financial condition.

Security interests or loan guarantees provided in favour of the Group may not be sufficient to cover any losses and may not be legally enforceable

The practice of pledging assets (such as share portfolios and real estate assets) to obtain a bank loan is subject to certain limitations and administrative restrictions under Kuwaiti law, including a requirement that the security may not be enforced without a court order. As a result, security over certain pledged assets may not be enforced in Kuwaiti courts. Accordingly, the Group may have difficulty foreclosing on collateral (including any real estate collateral) or enforcing guarantees or other third-party credit support arrangements when its Kuwaiti debtors default on their loans.

In addition, even if security interests are enforceable, the time and costs associated with enforcing them may make it uneconomic for the Group to pursue such proceedings, adversely affecting the Group's ability to recover its loan losses.

The Group typically requires additional collateral in the form of cash and/or other assets in situations where it may not be able to exercise rights over pledged shares or where it enters into guarantees or other third-party credit support arrangements for loans made to individuals and corporations. Any decline in the value or liquidity of the Group's collateral may prevent the Group from foreclosing on such collateral for its full value or at all if a borrower becomes insolvent and enters bankruptcy and could thereby adversely affect the Group's ability to recover the full amounts advanced to the borrower.

The occurrence of any of the foregoing could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group could be adversely affected by the soundness or the perceived soundness of other financial institutions and counterparties

The Group is subject to the risk of deterioration in the commercial and financial soundness, or perceived soundness, of other financial institutions. This risk is particularly relevant to the Group as 12.0 per cent. of the Group's financial assets and commitments and contingent liabilities related to the banking sector as at 31 December 2024.

Within the financial services industry, the default of any one institution could lead to significant losses, and potentially defaults, by other institutions. As was experienced globally in 2008 and 2009 and more recently in the United States and Europe with the failures of Silicon Valley Bank, Signature Bank, First Republic Bank and Credit Suisse in the first half of 2023, concerns about, or a default by, one institution could also lead to significant liquidity problems, losses or defaults by other institutions, because the commercial and financial soundness of many financial institutions is closely related as a result of their credit, trading, clearing or other relationships. Even the perceived lack of creditworthiness of, or questions about, a particular counterparty may lead to market-wide liquidity problems and losses or defaults by the Group or

other institutions. This risk, often referred to as "systemic risk", may also adversely affect other financial intermediaries, such as clearing agencies, clearing houses, securities firms and exchanges, with whom the Group interacts daily. Systemic risk, should it materialise, could have a material adverse effect on the Group's ability to raise new funding and on its business, financial condition and results of operations.

The Group has significant credit-related contingent liabilities and commitments that may lead to potential losses

As part of its normal banking business, Group companies issue guarantees, letters of credit and acceptances which are accounted for off the Group's balance sheet until such time as they are funded or cancelled. In addition, Group companies make irrevocable commitments to advance credit to their customers. Although these commitments are contingent, they nonetheless subject the Group to both credit and liquidity risks. As at 30 June 2025 and 31 December 2024, the Group had KD 2,058 million and KD 1,837 million, respectively, in such contingent liabilities and commitments outstanding, equal to 30.8 per cent. and 29.1 per cent. of its combined loans and advances to customers and contingent liabilities and commitments.

The Group's funding anticipates that only a portion of its obligations in respect of these contingent liabilities and commitments will be triggered. Nevertheless, the Group may need to make payments in respect of a greater portion of such commitments, particularly in cases where there has been a general deterioration in market conditions. This would result in the Group needing to obtain additional funding, potentially at relatively short notice, which could have an adverse effect on its financial condition and results of operations.

The Group is exposed to liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its obligations, including funding commitments, as they fall due. This could arise from, amongst other factors, the inability of the Bank to anticipate and provide for an unforeseen decrease or change in its funding sources.

Many of the Group's liabilities are short-term demand and time deposits, whereas its assets are generally medium to long-term loans. Mismatches between the Group's maturities of assets and liabilities could arise if the Group is unable to obtain new deposits or alternative sources of finance or the cost of obtaining them becomes prohibitive.

Although the Group has access to wholesale funding, including through international financial markets, to diversify and increase the maturity of its funding sources, such borrowings have not eliminated the Group's asset-liability maturity gaps. As at 31 December 2024, 70.6 per cent. of the Group's financial liabilities had remaining maturities of three months or less or were repayable on demand and only 8.8 per cent. had a maturity exceeding one year.

As at 30 June 2025 and 31 December 2024, the Group received 79.8 per cent. and 78.7 per cent., respectively, of its total funding (defined as the sum of its due to banks, due to other financial institutions, deposits from customers, certificates of deposit issued, other borrowed funds and other liabilities) from deposits made by retail, corporate, government and non-bank financial institution customers. As at 30 June 2025 and 31 December 2024, the Group's top 10 largest deposits accounted for 28.2 per cent. of these deposits at both dates. As at 30 June 2025 and 31 December 2024, the Group's largest depositor represented 8.5 per cent. and 8.1 per cent., respectively, of these deposits.

As at 31 December 2024, 74.1 per cent. of the Group's deposits from customers had maturities of less than three months or were repayable on demand, although as is typical in the Kuwaiti banking industry, these deposits have generally proved to be "sticky" in nature and a stable source of funding based on historical behaviour analysis. Nevertheless, they are repayable on demand or on very short notice.

The Group's deposit base is subject to fluctuation due to factors outside the Group's control, including possible loss of confidence and competitive pressures, and this could result in a significant outflow of deposits within a short period of time or may cause the Group to increase the return paid on its deposits to ensure it retains sufficient deposits. The Group may also experience outflows of deposits at times when liquidity is constrained generally in Kuwait and the MENAT region or when its major depositors experience short- or longer-term liquidity requirements. Particularly if international oil and gas prices fall significantly, the Group's large depositors (including the Government and quasi-governmental depositors) may start to withdraw part or all their deposits with it. Although the Group has been able to diversify its deposit base in recent years and increase its retail deposits, if a substantial portion of the Group's depositors, or any of its large depositors, withdraw their demand deposits or do not roll over their time deposits upon maturity, or the Group fails to refinance some of its large short- to medium-term borrowings, the Group may need to access more expensive sources to meet its funding requirements. No assurance can be given that the Group will be able to obtain additional funding on commercially reasonable terms as and when required, or at all. The Group's inability to refinance or replace such deposits with alternative funding could materially adversely affect the Group's liquidity, business, results of operations and financial condition and, in extreme cases, could, potentially, result in its insolvency.

The Group's liquidity may also be adversely affected by a number of factors, including significant unforeseen changes in interest rates, ratings downgrades, maturity mismatches between its funding and assets, higher than anticipated losses on investments and disruptions in the financial markets generally which in turn may result in the Group not being able to access the markets from which it raises funds at favourable rates.

Should any of the abovementioned factors materialise, they could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Changes in interest rate levels may affect the Group's net interest margins and borrowing costs and the value of assets sensitive to interest rates and spread changes may be adversely affected

The Group's operations are affected by, among other things, fluctuations in interest rates and funding costs. In particular, the Group's activities depend on the Group's interest rate risk management, as well as the connections between market rates and interest margins. The Group's net income largely depends on the level of the Group's interest-bearing assets and liabilities, as well as the average returns thereon and funding costs.

Interest rates and funding costs are sensitive to many factors beyond the Group's control, including the policies of central banks, such as the CBK and the U.S. Federal Reserve, political factors and domestic and international economic conditions. In response to rising global inflationary pressures, the CBK increased its benchmark interest rate by 0.25 per cent. in each of March, May, June, July, August and September 2022, followed by 0.5 per cent. increases in December 2022 and January 2023 and an additional 0.25 per cent. increase in July 2023, bringing the CBK's benchmark interest rate to 4.25 per cent. During the same period, the U.S. Federal Reserve raised its benchmark interest rate by a cumulative 525 basis points, bringing the target range to 5.25 per cent. - 5.50 per cent.

Subsequently, in response to moderating inflationary pressures, the U.S. Federal Reserve initiated an easing cycle. The benchmark rate was cut by 50 basis points in September 2024, followed by further reductions of 25 basis points each in November 2024, December 2024 and September 2025, bringing the U.S. Federal Reserve's target range to 4.00 per cent. - 4.25 per cent.

In line with these global monetary developments, the CBK also adjusted its policy stance. The CBK reduced its discount rate by 25 basis points in September 2024 to 4.00 per cent, aiming to stimulate aggregate demand while preserving monetary and financial stability. A subsequent 25 basis point reduction in September 2025 lowered the discount rate to 3.75 per cent, reflecting both the U.S. Federal Reserve's policy

easing and the CBK's commitment to ensuring liquidity and supporting credit growth in the domestic economy.

In an increasing reference rate market, the Group's principal exposure arises where its deposit rates increase without a matching increase in its loan rates, reflecting the generally shorter term of its deposits. The Group's marginal cost of funding may increase due to various factors, including deterioration in financial market conditions or loss of confidence by and between financial institutions. If the Group fails to pass on any increases in funding cost to its customers in a timely manner or at all due to market, competitive or other conditions, it could have a material adverse effect on its business, results of operations and financial condition. Given the repricing characteristics of the Group's balance sheet, the Group is generally exposed in a scenario of falling interest rates. In a decreasing reference rate market, there may be increased prepayments on loans and mortgage-backed securities, reducing the average life and yield of the Group's interest-earning assets. Lower rates may also make it more difficult to maintain or grow the Group's interest-based revenue and could lead to increased demand for refinancing by borrowers, potentially reducing income from higher-yielding assets originated in earlier periods.

In the case of certain retail loans denominated in dinar, the Group is exposed to some interest rate risk, since interest rates on those loans are not re-priced for the first five years and then the subsequent permitted adjustments are restricted in amount.

Any shortage of liquidity in markets that are sources of funding for the Group could contribute to an increase in the Group's marginal borrowing costs. Similarly, any increase in interbank reference rates could also affect the value of certain assets that are subject to changes in applicable interest rates. The Group's interest rate sensitivity positions are set out in note 22B to each of the Annual Financial Statements.

The Group's financial condition and results of operations could be adversely affected by foreign exchange risks

As a financial intermediary, the Group is exposed to foreign exchange rate risk. This risk includes the possibility that the value of a foreign currency asset or liability will change due to changes in currency exchange rates as well as the possibility that the Group may have to close out any open position in a foreign currency at a loss due to an adverse movement in exchange rates. The Group attempts to match the currencies of its assets and liabilities and any open currency position is maintained within the limits set by the CBK. However, where the Group is not so hedged, it is exposed to fluctuations in foreign exchange rates and any such hedging activity may not, in all cases, protect the Group against such risks. The Group's sensitivity to a 5.0 per cent. strengthening in the exchange rate of different currencies against the dinar are set out in note 22B to each of the Annual Financial Statements.

Changes in equity and debt securities prices may affect the values of the Group's investment securities

The Group holds investment securities (both equity and fixed income). Most of these investments are held at fair value through other comprehensive income (**FVOCI**) and a small proportion are held at fair value through profit and loss (**FVTPL**). As a result, changes in the fair value of these securities from period to period are recorded in the Group's statement of comprehensive income or statement of income, respectively and these changes can be material.

Any changes in the fair value of the Group's investment securities, for example due to changing equity prices where the securities are quoted on an active market, has an impact on the Group's equity. In addition, the Group's income from securities operations depends on numerous factors beyond its control, such as overall market trading activity, interest rate levels, fluctuations in currency exchange rates and general market volatility. The Group cannot predict the amount of realised or unrealised gain or loss for any future period, and variations from period to period, which may be significant, are not indicative of future

performance. Gains on the Group's investment portfolio may not continue to contribute to net income at levels consistent with those from recent periods or at all.

The Group's derivative transactions, which are designed to hedge its exposures to foreign exchange rate and interest rate risks, may not always be effective, may give rise to significant losses and do not protect the Group against all risks associated with foreign exchange rate and interest rate movements

The Group enters into derivative transactions, such as interest rate swaps and forward foreign exchange contracts, both to manage its own interest rate risk on its interest-bearing assets and liabilities and its foreign currency open positions and cash flows and to provide interest rate and foreign exchange rate solutions to its customers. These derivative contracts had a notional value of KD 2,093 million and KD 1,267 million as at 30 June 2025 and 31 December 2024, respectively and the Group's held for trading derivatives portfolio had positive and negative fair values of KD 40 million and KD 23 million, respectively, as at 30 June 2025 and KD 21 million and KD 21 million, respectively, as at 31 December 2024. There is no assurance that the Group's derivative contracts will be successful in mitigating its interest rate and foreign exchange exposures or that the Group will not experience significant losses on its derivatives contracts from time to time.

Adverse movements in interest and foreign exchange rates may also adversely impact the revenues and financial condition of the Group's depositors and borrowers which, in turn, may impact the Group's deposit base and the quality of its exposures to certain borrowers.

Ultimately, there can be no assurance that the Group will be able to protect itself from any adverse effects of a currency revaluation or future volatility in interest rate or currency exchange rates, which could have a material adverse effect on its business, financial condition and results of operations.

A downgrade in the Bank's credit ratings could limit the Group's ability to raise funding and may increase its borrowing costs

The Bank's credit ratings by the major credit rating agencies are intended to measure the probability of its ability to meet its debt obligations as they mature and thus are an important factor in determining the Group's cost of borrowing funds and the amount of funding it could raise. The cost of funding of the Group's borrowings is partly dependent on the Bank's credit ratings. As at the date of this Base Offering Circular, the Bank had the following ratings:

- Standard & Poor's: BBB+ for issuer credit rating, with a stable outlook;
- Moody's: Baa1 for long-term deposit rating, with a stable outlook;
- Fitch: A for long-term issuer default rating, with a stable outlook; and
- Capital Intelligence: A+ for long term foreign currency rating and A1 for short-term foreign currency rating, with a stable outlook.

Many factors could negatively impact the Bank's ratings including increases in NPLs or a deterioration in the Group's balance sheet. A downgrade of the Bank's credit ratings, or being placed on a negative rating watch, may increase the Group's cost of borrowing which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects and its relationship with creditors.

Furthermore, in determining the Bank's credit ratings, the credit rating agencies consider anticipated support from the Government. If the Government's credit rating is downgraded or is placed on a negative rating watch or there is a change in anticipated support from the Government for the Bank, this may have a consequential negative impact on the Bank's own credit rating.

Any potential future downgrade of the Bank's credit ratings (or announcement of a negative rating watch) may also limit its or its subsidiaries' ability to raise capital. Moreover, actual or anticipated changes in the Bank's credit ratings may affect the market price of Notes issued under the Programme. Ratings may be subject to revision or withdrawal at any time by the assigning rating organisation and each rating should be evaluated independently of any other rating.

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. Ratings may not reflect the potential impact of all risks related to structure, market, the risk factors discussed in this section and others that may affect the value of Notes issued under the Programme.

The Group's risk management and internal controls may leave it exposed to unidentified or unanticipated risks, which could result in material losses

The Group's business is exposed to a variety of risks, the most significant of which are credit risk, market risk, liquidity risk and operational risk. See "*Risk management"*. Investors should note that any failure to adequately control these risks could result in material adverse effects on the Group's business, results of operations, financial condition and prospects, as well as its general reputation in the market.

The Group's risk management techniques may not be fully effective or consistently implemented in mitigating its exposure in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some of the Group's methods of managing risk are based upon its use of historical market data which, as evidenced by events caused by the global financial crisis and global macroeconomic volatility in more recent times, may not always accurately predict future risk exposures which could be significantly greater than historical measures indicate. In addition, certain risks could be greater than the Group's empirical data would otherwise indicate.

Other risk management methods depend upon the evaluation of information regarding the markets in which the Group operates, its clients or other matters that are publicly available or information otherwise accessible to the Group. This information may not be accurate, complete, up-to-date or properly evaluated in all cases. Reliance on such information could result in unexpected or unforeseen fluctuations in foreign exchange rates or interest rates which could affect the Group's income or the value of its holdings of financial instruments. Changes in the fair value or future cash flows of a financial instrument could occur due to sudden changes in market prices resulting from factors specific to the individual financial instrument or from factors affecting all similar financial instruments traded in the market. Any material deficiency in the Group's risk management or other internal control policies or procedures may expose it to significant credit, liquidity, market or operational risk, which may in turn have a material adverse effect on its business, financial condition and results of operations.

The Group's risk management and internal control capabilities are also limited by the information tools and technologies available to it. Any material deficiency in the Group's risk management or other internal control policies or procedures may expose it to significant credit, liquidity, market or operational risk, which may in turn have a material adverse effect on the Group's business, results of operations and financial condition.

The Group's business may be adversely affected if there is any disruption to its operational systems or a loss of business continuity

The Group is highly dependent on information systems and technologies and relies heavily on its financial, accounting and other data processing systems. For example, the Group depends on its systems to process numerous transactions on an accurate and timely basis and to store and process substantially all the Group's business and operating data. The proper functioning of the Group's financial control, risk management, credit analysis and reporting, accounting, customer service and other systems, as well as the communication networks between its branches and main data processing centres, are critical to its business and its ability

to compete effectively. If any of these systems do not operate properly or are disabled, the Group could suffer financial loss, a disruption of its business, liability to clients, regulatory intervention and reputational damage.

In addition, the Group's current information systems and technologies may not continue to be able to accommodate the Group's growth unless the Group continues to invest in upgrading its operational systems. Any failure by the Group to accommodate growth, or an increase in costs related to its information systems, would have a material adverse effect on the Group's business. The cost of improving or upgrading the Group's information systems and technologies may be substantial and the cost of maintaining such systems is likely to increase from its current level.

The threat to the security of information and customer data from cyber-attacks is real and continues to grow at pace. Activists, rogue states and cyber criminals are among those targeting computer systems around the world. Risks to technology and cyber-security change rapidly and require continued focus and investment. Given the increasing sophistication and scope of potential cyber-attacks, it is possible that future attacks may lead to breaches of security. Failure to adequately manage cyber-security risk and continually review and update current processes in response to new threats could disrupt its business, result in the disclosure of confidential information, create financial and/or legal exposure and damage the Group's reputation and/or brands, which could have an adverse effect on the Group's business, results of operations and financial condition.

The Group's employees could engage in misrepresentation, misconduct or improper practice that could expose the Group to direct and indirect financial loss and damage to its reputation. Such practices may include embezzling clients' funds, engaging in corrupt or illegal practices to originate further business, intentionally or inadvertently releasing confidential information about clients or failing to follow internal procedures. Although the Group's operational and risk management systems are designed to detect and deter such misconduct, these systems may not always be effective and there can be no assurance that measures undertaken to combat employee misconduct will be successful. Such actions by employees could expose the Group to financial losses resulting from (i) the need to reimburse clients, co-investors or other business partners who suffered loss as a result of the actions or (ii) fines or other regulatory sanctions, and could also damage the Group's reputation, which would in turn be likely to materially adversely affect the Group's business, results of operations and financial condition.

The Group's business operations and business processes are also vulnerable to damage or interruption from fires, floods, extreme weather, power loss, bomb threats, explosions or other forms of terrorist activity and other natural and man-made disasters or other extreme events. These systems may also be subject to criminal damage, vandalism, theft and similar wrongdoing. If there is a disaster or other disruption and the Group's disaster recovery plans are found to be inadequate for any reason, there could be an adverse impact on the Group's business, results of operations and financial condition.

If any of the foregoing were to occur, it could materially adversely affect the Groups businesses, results of operations and financial condition.

Risks related to the Bank's ownership concentration and related party exposures

The Bank's shares are listed on the Boursa Kuwait (previously known as the Kuwait Stock Exchange). As at 30 June 2025, Kuwait Projects Company Holding K.S.C.P. (**KIPCO**) held a direct shareholding interest of 33.5 per cent. in the Bank and a consolidated interest (including shares held through other KIPCO group companies) of 64.6 per cent. in the Bank.

While KIPCO has a controlling interest in a diversified range of financial services and media companies in the GCC region, there is no assurance that KIPCO will maintain the existing levels of its shareholding in the Bank, nor that KIPCO will continue its support of the Bank through future injections of capital or

deposits with the Bank where necessary. Any change in the controlling interest by KIPCO may have an adverse effect on the business, financial condition, results of operations and prospects of the Group.

While the Group does not have any loan exposure to KIPCO, it does have loan exposures to other members of the KIPCO group and other related parties of the KIPCO group. As at 30 June 2025 and 31 December 2024, the aggregate of the Group's loan exposures to such related parties (excluding banks and other financial institutions within the KIPCO group) represented 18.0 per cent. and 19.0 per cent., respectively, of the Group's loans and advances to customers. Related party transactions could create conflicts of interest for Group companies, which could potentially impact the Group's business.

By virtue of its controlling interest in the Bank, KIPCO can influence the Group's business significantly through its ability to control actions which require shareholder approval and to nominate the majority of the board of directors of the Bank (the **Board**). The interests of KIPCO may be different from those of the Bank's creditors (including the Noteholders). If the interests of shareholders, including those of the majority shareholder, KIPCO, conflict with the interests of the Noteholders, decisions may be made that advantage shareholders of the Bank, leaving the Noteholders at a disadvantage.

The group has a relatively small retail franchise which could limit its competitive positioning and growth potential in the MENAT region

The Group is primarily a corporate-focused bank, with corporate clients representing 87.1 per cent. of the Group's gross loans and advances to customers as at 31 December 2024. The Group's retail banking operations are relatively limited across its network, representing only 12.9 per cent. of gross loans and advances to customers at 31 December 2024.

Given its relatively modest retail franchise, the Group's ability to fully capitalise on emerging opportunities and developments in the MENAT retail banking sector may be constrained. This could limit its competitive positioning and growth potential within the region's retail banking market.

The Group may not be able to recruit and retain qualified and experienced personnel, which could have an adverse effect on its business and its ability to implement its strategy

The Group's ability to maintain and grow its business will depend, in part, on its ability to continue to recruit and retain qualified and experienced banking and management personnel. The Group is likely to face challenges in recruiting qualified personnel to manage its business. If the Group experiences a shortage of qualified employees residing in the principal countries in which it operates, it may need to recruit from outside those countries. In addition, even after hiring its employees, the Group has faced and may face future challenges in retaining such employees due to the continued recruitment efforts of its competitors.

In recent years, the Government has made announcements regarding its intention to encourage a better balance of Kuwaitis and non-Kuwaiti nationals in the private-sector workforce. This process, known as "Kuwaitisation", involves the establishment of suggested ratios for the numbers of Kuwaiti nationals who should be employed by respective industries, with the Government's recommended policy for financial institutions being that 70.0 per cent. of a bank's total personnel should consist of Kuwaiti nationals. The Bank's Kuwaitisation level as at 31 December 2024 was 86 per cent. If the Bank is unable to meet or exceed the Government's minimum threshold for Kuwaiti employees, it may be subject to certain penalties, including an exclusion from participation in certain Government-related tender processes, the imposition of fines by the Ministry of Social Affairs or the imposition of administrative or corrective action by the CBK and other governmental authorities.

The Bank and each of its subsidiaries depend on the efforts, skill, reputation and experience of its senior management, as well as synergies among their diverse fields of expertise and knowledge. The loss of key personnel could impact the Group in the implementation of its strategies.

While the Bank believes that the Group has effective staff recruitment, training and incentive programmes in place, challenges in the recruitment, training and/or retention of necessary personnel, or the shortage of qualified employees, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The banking industry is competitive and the Bank is exposed to significant competition in Kuwait

The Bank faces high levels of competition for its products and services in Kuwait. In particular, the Bank competes with other domestic banks (both conventional and Islamic), in addition to the Kuwaiti branches of non-Kuwaiti banks, and such competition may increase.

The Kuwaiti banking sector comprises five local conventional commercial banks and branches of 11 foreign banks. In addition, there is a specialised bank and four banks operating according to the provisions of Islamic Shari'a. The domestic consumer banking sector is dominated by Kuwaiti banks in terms of market share.

Considering the competitive nature of the Kuwaiti banking market, any failure by the Bank to continue to compete successfully in Kuwait may adversely affect its business, financial condition and results of operations.

RISKS RELATING TO LEGAL, REGULATORY, COMPLIANCE AND ACCOUNTING ISSUES

The Group is subject to extensive regulation and changes in applicable laws or regulations, the interpretation and enforcement of such laws or regulations, or any failure by the Group to comply with these laws and regulations could have a material adverse effect on the Group

The Group is subject to prudential and regulatory controls designed to maintain the safety and soundness of banks, ensure their compliance with economic, social and other objectives and limit their exposure to risk. These controls include liquidity regulations, Basel III capital adequacy and leverage regulations, credit risk regulations, concentration risk regulations and interest cap regulations. These controls include laws and regulations promulgated by the CBK, the CMA and the Boursa Kuwait, as well as the laws and regulations of the other countries in which the Group operates, including Algeria, Tunisia, Turkey and Bahrain.

Any of these or the other regulations to which the Group is subject may limit its ability to increase its credit portfolio or raise capital or may increase its cost of doing business. Any future changes in laws or in CBK and other applicable regulations or policy and/or in how they are interpreted or enforced may affect the Group's reserves, revenue and performance and may have a material adverse effect on the Group's business, results of operations and financial condition.

Furthermore, the Group's ability to satisfy minimum capital adequacy requirements may be adversely impacted by many factors, including, among other things: (i) an increase in risk-weighted assets at the Group; (ii) an increase in credit risk, credit losses or impairment allowances; (iii) an inability to obtain capital; (iv) the results of the Group's activities; (v) a decline in the value of the Group's investment securities; (vi) any inaccurate estimates adopted by the Group regarding the amount of capital required to cover operating risk; (vii) changes in accounting principles or recommendations related to the calculation of the capital adequacy ratio of banks; (viii) fluctuations in exchange rates which influence the value of assets denominated in foreign currencies; (ix) changes in interest rates; and (x) changes in regulations or in the methods by which the regulatory authorities, including the CBK, apply capital adequacy regulations. Any non-compliance with applicable regulatory guidelines could expose the Group to potential liabilities and fines. In addition, the potential adoption by the CBK (and the implementation phase) of the final (and future) standards published by the Basel Committee, including the revised standardised approach for credit risk and for market and operational risks and others, may have adverse impact on the Group's ability to satisfy minimum capital adequacy requirements.

If the Group fails to comply with applicable anti-money laundering, anti-terrorism financing, OFAC sanctions and other related regulations, it could face fines and damage to its reputation

The Group is required to comply with applicable anti-money laundering (**AML**) laws, anti-terrorism financing laws, Office of Foreign Assets (**OFAC**) sanctions and other regulations. These laws and regulations require the Group, among other things, to adopt and enforce "know your customer" (**KYC**) policies and procedures and to report suspicious and large transactions to the applicable regulatory authorities. The Group has adopted KYC/AML policies and procedures and reviews them regularly in light of any relevant regulatory and market developments. To the extent the Group fails to comply with applicable laws and regulations, the relevant government agencies to which it reports have the power and authority to impose fines and other penalties. In addition, the Group's business and reputation could suffer if customers use the Group for money laundering or illegal purposes.

Legal and regulatory systems may create an uncertain environment for investment and business activities

Kuwait and other countries in which the Group has a significant presence are in the process of developing governing institutions and legal and regulatory systems, which are not yet as firmly established as they are in Western Europe and the United States. Kuwait, along with these other countries, has enacted measures to promote greater efficiency and certainty within their legal and regulatory systems.

The legal systems in Kuwait and these other countries may not provide the same degree of protection or require the levels of disclosure of information that would be the case in Western Europe or the United States. No assurance can be given that the Government or the governments of these other countries will not implement regulation or fiscal or monetary policies, including policies, regulations, or new legal interpretations of existing regulations, relating to or affecting expropriation, nationalisation, taxation, interest rates or exchange controls, or otherwise take actions which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Tax changes may have an adverse effect on the Group

As at the date of this Offering Circular, Kuwait also does not currently impose value-added tax (**VAT**) on the sale of goods and services. However, investors should be aware that certain GCC states, not including Kuwait, have implemented VAT on goods and services as part of a GCC-wide VAT framework. Currently, the Government has not yet announced a clear timeline to introduce VAT.

It is possible that, if VAT is introduced in Kuwait, the Group's costs would increase and its future profitability could be negatively affected.

In 2021, the OECD's Inclusive Framework on Base Erosion and Profit Shifting (the **Framework**) agreed to a two-pillar solution to address tax challenges arising from digitalisation of the economy. Under Pillar 2, multinational entities (**MNEs**) whose revenue exceeds EUR 750 million are liable to pay corporate income tax at a minimum effective tax rate of 15 per cent. in each jurisdiction in which they operate. Jurisdictions in which the Group operates, including Kuwait, Turkey, Bahrain and the UAE, have joined the Framework.

Kuwait issued Law Number 157 of 2024 on 31 December 2024 (the **MNE Law**) introducing domestic minimum top-up tax (**DMTT**) effective from 2025 on MNEs which are part of a group with annual revenues of EUR 750 million or more. The MNE Law provides that DMTT shall be payable on the taxable income at a rate equal to the difference between 15 per cent. and the effective tax rate of all constituent entities of the MNE's group operating within Kuwait. The taxable income and effective tax rate shall be computed in accordance with Ministerial Resolution No. 55 of 2025, published in the Kuwait Official Gazette on 30 June 2025 and effective from 1 July 2025, promulgating the executive regulations to the MNE Law. Similar DMTT laws have been enacted or announced in other low tax jurisdictions, such as Bahrain and the UAE. Additionally, other jurisdictions where the Group operates have Pillar 2 legislation in effect (for example,

Turkey and the UK) and some of those jurisdictions have also adopted the undertaxed profits rule whereby undertaxed profits in any of the Group's jurisdictions will be brought to an effective global minimum tax rate of 15 per cent. starting from 2025.

The MNE Law effectively replaces the existing National Labour Support Tax and Zakat tax regimes in Kuwait for MNEs within the scope of the MNE Law. In the six months ended 30 June 2025, the Group recorded DMTT of KD 0.5 million compared to National Labour Support Tax and Zakat of KD 0.8 million in aggregate in the corresponding period of 2024.

To the extent that the Kuwaiti or other authorities impose new taxes that impact the Group or introduce any other changes in tax laws which make doing business in Kuwait or other relevant jurisdiction less attractive, this may have a material adverse effect on the Group's business, results of operations, cash flows and financial condition.

The Group's accounting policies and methods are critical to how it reports its financial condition and results of operations and require management to make estimates about matters that are uncertain

Accounting policies and methods are fundamental to how the Group records and reports its financial condition and results of operations. Management must exercise judgement in selecting and applying many of these accounting policies and methods so they comply with IFRS as adopted by the CBK. These judgements and estimates include, for example, the determination of when assets may be impaired, the classification of financial assets, the determination of provisions for credit losses and provisions for investment securities.

A variety of factors could affect the ultimate value that is obtained either when earning income, recognising an expense, recovering an asset or reducing a liability. The Group has established policies and control procedures that are intended to ensure that its significant accounting estimates and judgements are well controlled and applied consistently. In addition, the policies and procedures are intended to ensure that the process for changing methodologies occurs in an appropriate manner. However, due to the uncertainty surrounding the Group's judgements and the estimates pertaining to these matters, the Bank cannot guarantee that it will not be required to make changes in accounting estimates or restate prior period financial statements in the future.

RISKS RELATING TO KUWAIT AND THE MENAT REGION

Kuwait's economy and government revenues are significantly impacted by, and are dependent upon, international oil prices

The oil sector is the principal contributor to Kuwait's economy and oil revenues account for most of the Government's total revenues and export earnings. According to CSB data, the extraction of crude petroleum and natural gas and service activities incidental to oil and gas accounted for 47.9 per cent., of Kuwait's real GDP in 2024. The oil sector continues to be the main contributor to Kuwait's annual revenues, accounting for 87.7 per cent. of total Government revenues for the fiscal year ended 31 March 2025, according to Kuwait Ministry of Finance data. Accordingly, Kuwait's economy is significantly impacted by, and is dependent upon, international oil prices.

The OPEC Reference Basket price has seen significant volatility since early 2022 when it increased sharply in the first half of the year in response to the Russian invasion of Ukraine. In the second half of 2022, oil prices decreased as markets grew increasingly concerned about the health of the global economy amid increases in inflation, tightening monetary policy and the economic damage caused by China's continuing struggle with COVID-19. Amendments to the sanctions imposed on Russia towards the end of 2022 and generally lower than expected demand in 2023 helped constrain prices during that year. Political events in the MENA region had only a muted impact on oil prices in 2024. Oil prices were impacted by heightened trade tensions and uncertainty in the first six months of 2025, coupled with an OPEC+ decision to accelerate the unwinding of oil production curbs. The annual average OPEC Reference Basket prices were

U.S.$100.08 per barrel in 2022, U.S.$82.95 per barrel in 2023 and U.S.$79.89 per barrel in 2024. The average of the monthly average OPEC Reference Basket prices for the first six months of 2025 was U.S.$72.09.

Except where otherwise stated, according to the CBK (sourced to data published by CSB in the case of GDP and the Kuwait Ministry of Finance in the case of public finance data):

- Kuwait's nominal GDP increased by 25.6 per cent. in 2022, decreased by 9.6 per cent. in 2023 and decreased by 3.3 per cent. in 2024 and its real GDP increased by 6.8 per cent. in 2022, decreased by 1.7 per cent. in 2023 and decreased by 2.6 per cent. in 2024. According to IMF data sourced from the World Economic Outlook Database (April 2025), Kuwait's nominal GDP is predicted to decrease by 3.4 per cent. in 2025 and its real GDP is predicted to increase by 1.9 per cent. in 2025;

- Kuwait's current account balance recorded surpluses of KD 19.3 billion in 2022, KD 15.8 billion in 2023 and KD 14.3 billion in 2024; and

- the General budget in Kuwait recorded a deficit of KD 4.3 billion in the fiscal year ended 31 March 2022, a surplus of KD 6.4 billion in the fiscal year ended 31 March 2023, a deficit of KD 1.6 billion in the fiscal year ended 31 March 2024 and a deficit of KD 1.0 billion in the fiscal year ended 31 March 2025.

Kuwait's economy is generally negatively impacted by sustained periods of prevailing low oil prices. In addition, ancillary industrial activities related to oil and gas exploration and production are also negatively affected by low oil prices and sectors that are dependent on Government consumption may be adversely affected by lower levels of economic activity that may result from lower Government revenue from oil and gas production. Additionally, although the CBK can adjust the components of the KD Basket against which the Kuwaiti dinar is pegged, there can be no assurance that the CBK will maintain the KD Basket at its current level, which could lead to higher inflation and negatively affect confidence in the Kuwaiti economy.

In general, international prices for crude oil are affected by many factors over which the Group has no control, including: economic and political developments in oil-producing regions, particularly in the Middle East as well as globally, global and regional supply and demand, and expectations regarding future supply and demand, for oil products, including the price and availability of new technologies such as renewable energy and unconventional oil and gas extraction methods. In addition to this, international prices for crude oil may be affected by the ability of members of OPEC and other crude oil producing nations to agree upon and maintain specified global production levels and prices and global weather and environmental conditions. Local and international environmental regulations designed to reduce carbon emissions and/or climate change and any other actions taken by major crude oil producing or consuming countries (based on the changing attitudes and sentiments of and actions by consumers generally globally towards products derived from or based on oil) may also impact the international price for crude oil.

It is possible that the broad-ranging tariffs announced by the United States in 2025, and any other countries (including China) in response, could result in a slowdown of global economic activity which could reduce demand for oil and therefore the price of oil. This could reduce liquidity in the Kuwaiti banking system and cause international investors to reduce their exposure to emerging markets, including the GCC, potentially slowing foreign direct investment or portfolio inflows into Kuwait.

Low oil prices and low demand for oil may have a material adverse effect on Kuwait's economy and revenues and may give rise to significant budget deficits and a reduction in liquidity and funding in the financial sector. Kuwait has financed past budget deficits by borrowing and utilising its reserves and it may need to do so again. Any reduction in foreign exchange reserves and/or additional borrowing could result in foreign exchange outflows and have a tightening effect on liquidity and credit expansion, which may not be mitigated by any adjustments in government spending aimed at offsetting the adverse effects of any of the foregoing conditions.

There can be no assurance that these factors, in combination with others, will not result in a future decline (which may be prolonged) in oil prices, which may have an adverse effect on the Kuwaiti economy which, in turn, could have a material adverse effect on the Group's business, financial condition and results of

operations and thereby affect the Issuer's or the Bank's ability to perform its obligations in respect of Notes issued under the Programme.

The Group operates in a region that has been subject to ongoing political and security concerns

The Group operates in the MENAT region and its results of operations are, and will continue to be, generally affected by financial, economic and political developments in or affecting the MENAT region. It is not possible to predict the occurrence of events or circumstances, such as war or hostilities, or the impact of such occurrences and no assurance can be given that the Group would be able to sustain the operation of its business if adverse political events or circumstances were to occur.

Although Kuwait generally enjoys domestic political stability and healthy international relations, parts of the strategically important MENAT region have experienced regional geopolitical instability in the last decade. In recent years, there has been social and political unrest and/or armed conflict in several countries in this region, including the multinational conflict with the Islamic State of Iraq and the Levant. This unrest has ranged from public demonstrations to, in extreme cases, armed conflict and civil war and has also given rise to significantly increased political uncertainty across the region. These situations have caused significant disruption to the economies of the affected countries and have had a destabilising effect on international oil and gas prices.

There have also been attacks on both Saudi Arabian and UAE oil and gas facilities. For example, there were attacks on Saudi Aramco refineries in Riyadh and Yasref and petroleum products distribution terminals in Jeddah and Jizan in March 2022. Also, in January 2022, a drone attack claimed by Yemen's Houthi militia targeting a key oil facility in Abu Dhabi resulted in casualties and sparked a fire at Abu Dhabi's international airport. In January 2024, an attack on a U.S. outpost by Iran-backed militants on the Jordan-Syria border resulted in deaths and injuries. In October 2023, Israel declared war on Hamas and invaded the Gaza strip in response to an attack by Hamas in southern Israel and, during the second half of 2024, Israel conducted attacks against Hezbollah in Lebanon. Both conflicts remain unresolved. There have been numerous incidents of maritime piracy in the Red Sea region since late 2023, prompting attacks by United States and other western countries on Al Houthi bases in Yemen in response. During 2024, Israel and Iran were involved in limited direct actions against each other, which substantially escalated in mid-2025 with Israel, and later the United States, carrying out actions against Iranian targets. Iran subsequently retaliated to the U.S. attack, which has further increased the risk of escalation in the region. Following the collapse of the Bashar Al-Assad regime in Syria in late 2024 and the takeover of Syria by a sanctioned military force, neighbouring countries, such as Israel and Turkiye, have sought to protect their interests by dispatching their military forces into Syria and undertaking military operations, including air strikes.

Any of the foregoing could have a material adverse effect on the Group's business, financial condition and results of operations and thereby affect the Issuer's or the Bank's ability to perform their respective obligations in respect of Notes issued under the Programme.

Certain of the Bank's subsidiaries are exposed to country-specific risks

Burgan Bank A.Ş. (BBT)

Since 2022, Turkey's economy has experienced high inflation and a slowdown in economic growth after 2023. In February 2023, Turkey was struck by two severe earthquakes impacting social and economic life in 11 provinces. Following presidential and parliamentary elections in May 2023, the political focus shifted to normalisation in economic policies by taming high inflation, exchange rate stabilisation and reducing the regulatory burden on the banking sector. In 2024, Turkey's sovereign rating was upgraded by two notches driven by strengthened investor confidence, an improved reserve position and a reduced country risk premium.

Based on IMF data from the April 2025 World Economic Outlook database, Turkey's real GDP increased by 5.5 per cent. in 2022, 5.1 per cent. in 2023 and 3.2 per cent. in 2024 and is projected to increase by 2.7 per cent. in 2025. Inflation in Turkey was 72.3 per cent. in 2022, 53.9 per cent. in 2023, 58.5 per cent. in 2024 and is projected to be 35.9 per cent. in 2025, meaning that Turkey remains a hyper-inflationary economy.

Gulf Bank Algeria S.P.A. (AGB)

Since 2022, Algeria's economy has seen strong growth driven by high hydrocarbon prices and significant public spending, although the country faces challenges including inflation and its heavy reliance on oil and gas. In 2023, AGB's operating expenses were negatively impacted by appreciation in the Algerian dinar and inflationary pressures and, in 2024, AGB was impacted by higher loan loss provisions.

Based on IMF data from the April 2025 World Economic Outlook database, Algeria's real GDP increased by 3.6 per cent. in 2022, 4.1 per cent. in 2023 and is estimated to have increased by 3.5 per cent. in 2024 and is projected to increase by 3.5 per cent. in 2025. Inflation in Algeria was 9.3 per cent. in 2022 and 2023, 4.0 per cent. in 2024 and is projected to be 3.7 per cent. in 2025.

Tunis International Bank S.A. (TIB)

Since 2022, Tunisia's economy has experienced stagnation and slow recovery due to factors like drought, low global demand and domestic challenges, with growth remaining subdued and falling below pre-pandemic levels. In 2023, TIB was impacted by increases in operating expenses and provision charges.

Based on IMF data from the April 2025 World Economic Outlook database, Tunisia's real GDP increased by 2.7 per cent. in 2022, 0.0 per cent. in 2023 and is estimated to have increased by 1.4 per cent. in 2024 and is projected to increase by 1.4 per cent. in 2025. Inflation in Tunisia was 8.3 per cent. in 2022, 9.3 per cent. in 2023, 7.0 per cent. in 2024 and is projected to be 6.1 per cent. in 2025.

United Gulf Bank B.S.C. (closed) (UGB)

Since 2022, Bahrain's fiscal position has weakened, with the deficit (general government borrowing) widening from 5.1 per cent. of GDP in 2022 to 10.7 per cent. of GDP in 2024 and general government gross debt rising sharply from 111.6 per cent of GDP in 2022 to 134.0 per cent. of GDP in 2024. Oil is a key source of government revenue making the country vulnerable to crude price volatility, while regional conflicts and global uncertainty may also add to downside risks.

Based on IMF data from the April 2025 World Economic Outlook database, Bahrain's real GDP increased by 6.2 per cent. in 2022, 3.9 per cent. in 2023, is estimated to have increased by 2.8 per cent. in 2024 and is projected to increase by 2.8 per cent. in 2025. Inflation in Bahrain was 3.6 per cent. in 2022, 0.1 per cent. in 2023, 0.9 per cent. in 2024 and is projected to be 1.0 per cent. in 2025.

Weakening economic conditions in any of the countries in which the Group's subsidiaries operate may negatively affect these entities through reduced demand for the products and services they offer and an increased risk of loan losses. In addition, any significant worsening of hyperinflationary conditions in Turkey would be likely to result in an increase in the Group's net monetary loss.

Investing in securities involving emerging markets generally involves a higher degree of risk

Investing in securities involving emerging markets countries, such as Kuwait, generally involves a higher degree of risk than investments in securities of issuers from more developed countries. These risks include those discussed in this section as well as higher volatility and limited liquidity, a heightened risk of sudden changes in the legal, economic and political environment, instability in neighbouring countries, a heightened risk of business dealings in jurisdictions with operating risks relating to fraud, bribery and corruption and lack of adequate infrastructure necessary to accelerate economic growth.

In addition, there can be no assurance that the market for securities bearing emerging market risk, such as Notes issued under the Programme, will not be affected negatively by events elsewhere, especially in emerging markets. International investors' reactions to events occurring in one emerging market country or region sometimes appear to demonstrate a "contagion" effect, in which an entire region or class of investment consequently becomes out of favour with such investors. If such a "contagion" effect were to occur, the trading price of Notes issued under the Programme could be adversely affected by negative

economic or financial developments in other emerging market countries, particularly in the MENAT region, over which the Group has no control.

Additionally, emerging markets may be particularly susceptible to disruptions in the capital markets and the reduced availability of credit, or the increased cost of debt, which could result in their experiencing financial difficulty. No assurance can be given that this will not be the case in the future for Kuwait.

Consequently, an investment in Notes issued under the Programme carries risks that are not typically associated with investing in notes issued by issuers in markets which are more mature. Accordingly, prospective investors should exercise particular care in evaluating the risks involved and must decide for themselves whether their investment is appropriate. Generally, investment in emerging markets is only suitable for sophisticated investors who fully appreciate the significance of the risk involved.

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

Risks related to the structure of a particular issue of Notes

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

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

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

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At any such time, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

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

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

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

Interest rates and indices which are deemed to be "benchmarks" (including, without limitation the euro interbank offered rate ("**EURIBOR**") are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark.

The EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU.

Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) No. 2016/1011 as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**") 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 benchmarks of 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).

Legislation such as, the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, if applicable, could have a material impact on any Notes linked to or referencing a benchmark in particular, for example, if the methodology or other terms of the benchmark are changed in the future in order to comply with the requirements of the EU Benchmarks Regulation and/or the UK Benchmarks Regulation and/or other similar legislation, or if a critical benchmark is discontinued or is determined to be by a regulation "no longer representative". . 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. They may also have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks", or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

Although EURIBOR has subsequently been reformed in order to comply with the terms of the EU Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with Euro short-term rate ("**€STR**{xe "€STR"}") or an alternative benchmark.

Separately, the euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, among other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

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

The Conditions provide for certain fallback arrangements in the event that a Benchmark Event (as defined in the Conditions) occurs, including if an original Reference Rate (as defined in the Conditions) and/or any page on which an original Reference Rate may be published (or any other successor service) becomes unavailable or a Benchmark Event otherwise occurs. The IBA announcement and FCA announcement referred to above may each constitute such a Benchmark Event. This may trigger certain of the fallback arrangements although, the consequences of such fallbacks being triggered are not immediately effective under the Conditions. Such fallback arrangements include the possibility that the Rate of Interest (or the relevant component part thereof) could be set by reference to a Successor Rate or an Alternative Reference Rate (both as defined in the Conditions), with or without the application of an Adjustment Spread (as defined in the Conditions) and may include amendments to the Conditions to ensure the proper operation of the successor or replacement benchmark, all as determined by an Independent Adviser, acting in good faith and following consultation with the Guarantor, and without the requirement for the consent or sanction of Noteholders. An Adjustment Spread, if applied, is a spread (which may be positive, negative or zero) or formula or methodology for calculating a spread which (i) in the case of a Successor Rate, is formally recommended or formally provided as an option for parties to adopt, in relation to the replacement of the original Reference Rate with the Successor Rate by any Relevant Nominating Body (as defined in the Conditions) (which may include a relevant central bank, supervisory authority or group of central banks/supervisory authorities), or (ii) (if no such recommendation has been made, or in the case of an Alternative Reference Rate), the Independent Adviser (following consultation with the Guarantor) determines is customarily applied to the relevant Successor Rate or the Alternative Reference Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement

rate for the original Reference Rate, or (iii) (if the Independent Adviser (following consultation with the Guarantor) determines that no such spread, formula or methodology is customarily applied), the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate, as the case may be or (iv) (if the Independent Adviser following consultation with the Guarantor) determines that there is no such industry standard) the Independent Adviser following consultation with the Guarantor) or the Guarantor (as applicable) determines (acting in good faith and in a commercially reasonable manner) in their sole discretion to be appropriate. Accordingly, the application of an Adjustment Spread may result in the Notes performing differently (which may include payment of a lower Rate of Interest) than they would do if the original Reference Rate were to continue to apply in its current form. If no Adjustment Spread can be determined, a Successor Rate or Alternative Reference Rate may nonetheless be used to determine the Rate of Interest (or the relevant component part thereof). The use of a Successor Rate or Alternative Reference Rate (including with or without the application of an Adjustment Spread) may still result in any Notes linked to or referencing an original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would if the original Reference Rate were to continue to apply in its current form.

If, following the occurrence of a Benchmark Event, no Successor Rate or Alternative Reference Rate is determined, the ultimate fallback for the purposes of the calculation of the Rate of Interest (or the relevant component part thereof) for the relevant immediately following Interest Period may result in the Rate of Interest (or the relevant component part thereof) for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. Due to the uncertainty concerning the availability of Successor Rates and Alternative Reference Rates, the involvement of an Independent Adviser and the potential for further regulatory developments, there is a risk that the relevant fallback provisions may not operate as intended at the relevant time.

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

The market continues to develop in relation to the Secured Overnight Financing Rate (SOFR) as reference rates for Floating Rate Notes

Investors should be aware that the market continues to develop in relation to the Secured Overnight Financing Rate ("**SOFR**") as a reference rate in the capital markets and its adoption as an alternative to U.S. Dollar LIBOR. In particular, market participants and relevant working groups are exploring alternative reference rates based on SOFR, including term SOFR reference rate (which seeks to measure the market's forward expectation of an average SOFR rate over a designated term) or different measures of such an alternative reference rate. For example, on 2 March 2020, the Federal Reserve Bank of New York, as administrator of SOFR, began publishing the SOFR Index. The continued development of SOFR as an interest reference rate for the Eurobond markets, as well as the continued development of SOFR based rates for such markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of the Notes.

The use of SOFR as a reference rate for Eurobonds continues to develop both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing SOFR. In particular, investors should be aware that several different SOFR methodologies have been used in SOFR linked notes issued to date and no assurance can be given that any particular methodology, including the compounding formula in the Conditions, will gain widespread market acceptance.

The market or a significant part thereof may adopt an application of SOFR that differs significantly from that set out in the Terms and Conditions and used in relation to the Notes that reference SOFR under this Base Offering Circular. Furthermore, the Issuer may in future issue Notes referencing SOFR that differ materially in terms of interest determination when compared with the Notes. In addition, the manner of adoption or application of SOFR reference rates in the Eurobond markets may differ materially compared with the application and adoption of SOFR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SOFR reference rates across

these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing SOFR.

SOFR differs from LIBOR and EURIBOR in a number of material respects and has a limited history

SOFR differs from LIBOR and EURIBOR in a number of material respects, including that SOFR is a backwards-looking, compounded, risk-free overnight rate, whereas LIBOR and EURIBOR are expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that LIBOR, EURIBOR and SOFR may behave materially differently as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to LIBOR and EURIBOR which is an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Publication of SOFR in its current form began in April 2018 and it therefore has a limited history. The future performance of SOFR may therefore be difficult to predict based on the limited historical performance. The level of SOFR during the term of the Notes may bear little or no relation to the historical level of SOFR. Prior observed patterns, if any, in the behaviour of market variables and their relation to SOFR such as correlations, may change in the future.

Furthermore, interest on Notes which reference SOFR is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors to estimate reliably the amount of interest which will be payable on the Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which factors could adversely impact the liquidity of the Notes. Further, in contrast to EURIBOR -based Notes, if the Notes become due and payable as a result of an event of default under Condition 11 (*Events of Default*), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of the Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable.

The administrator of SOFR may make changes that could change the value of SOFR or discontinue SOFR

The Issuer has no control over the determination, calculation or publication of SOFR. There can be no guarantee that SOFR will not be discontinued, suspended or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes referencing SOFR. In particular, the Federal Reserve Bank of New York (or a successor), as administrator of SOFR, may make methodological or other changes that could change the value of SOFR or its related indices, including changes related to the method by which SOFR or a related index is calculated, eligibility criteria applicable to the transactions used to calculate SOFR, or timing related to the publication of SOFR or a related index. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SOFR or a related index (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing SOFR or a related index.

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

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

The use of proceeds of any issue of Notes identified as Sustainable Notes in the applicable Pricing Supplement may not meet investor expectations or requirements or be suitable for an investor's investment criteria

The Bank intends to use an amount at least equal to the net proceeds from each issue of Notes identified as Sustainable Notes (**Sustainable Notes**, which term includes Green Notes, Social Notes and Sustainability

Notes (each as defined in "*Use of Proceeds*")) in the applicable Pricing Supplement (the **equivalent amount**) in achieving its objectives as set out in the Sustainable Finance Framework (as defined in "*Use of Proceeds*").

The Bank will exercise its judgment and sole discretion in determining the projects and companies that will be financed or refinanced by the equivalent amount. If the use of the proceeds of Sustainable Notes is a factor in any potential investor's decision to invest in Sustainable Notes, that investor should carefully consider the disclosure in "*Use of Proceeds*" and the Sustainable Finance Framework published on the Bank's website and consult with its legal or other advisers and determine for itself the relevance of such information for the purpose of its investment in the Sustainable Notes together with any other investigation the investor deems necessary before making its investment. No assurance is given by the Issuer, the Bank, the Arrangers, the Dealers or any other person that the use of the equivalent amount for any Eligible Sustainable Projects (as defined in "*Use of Proceeds*") will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which the investor or its investments are required to comply, in particular with regard to any direct or indirect environmental or sustainability impact of any project or uses, the subject of or related to, the Sustainable Finance Framework. In addition, the Sustainable Finance Framework is subject to change at any time without notice.

Furthermore, notwithstanding the Bank's intention stated above, potential investors should be aware that the Bank has no contractual obligation to use the equivalent amount as stated in, or to provide the reports described in, "*Use of Proceeds*". In addition, no assurance is given by the Issuer, the Bank, the Arrangers, the Dealers or any other person that the application of the equivalent amount to the relevant Eligible Sustainable Projects will be capable of being implemented in, or substantially in, that manner and/or in accordance with any timeframe or at all, or that the equivalent amount will be totally or partially disbursed as planned. There is also no assurance that the projects or companies financed or refinanced by, or invested in using, the equivalent amount of Sustainable Notes will have the results or outcome (whether or not related to environmental, social or sustainability objectives) originally expected or anticipated by the Bank. None of that event, any failure by the Bank to use the equivalent amount as stated or to provide any reports, the fact that the maturity of an Eligible Sustainable Project may not match the duration of any Sustainable Notes, the failure by the Bank to meet any environmental, social or sustainability targets, any changes to the composition of the Eligible Sustainable Projects before any applicable optional redemption date of the applicable Sustainable Notes or any failure of the Eligible Sustainable Projects to perform as expected will: (i) give rise to any claim in contract of a holder of any Sustainable Notes against the Issuer, the Bank, any other member of the Group, the Arrangers, any Dealer or any other person; (ii) create an obligation of the Issuer or the Bank to redeem the relevant Sustainable Notes; or (iii) create an option for the holders of the relevant Sustainable Notes to redeem the Sustainable Notes, but such failures, events and facts may affect the value and/or the trading price of Sustainable Notes and/or have adverse consequences for certain investors with portfolio mandates to invest in green, social or sustainability assets.

Any part of the equivalent amount of Sustainable Notes which, from time to time, is not earmarked towards Eligible Sustainable Projects is intended by the Bank to be held in line with the Bank's general liquidity guidelines, as they pertain to the deployment of equivalent amounts. Nevertheless, there can be no assurance that the Sustainable Notes or their equivalent amount will not be used to absorb losses of the Bank, regardless of whether or not those losses stem from green, social or sustainability assets, in the same way as the Bank's other instruments not classified as Sustainable Notes may be called upon to cover losses on the Group's balance sheet. In addition, there will be no direct or contractual link between any Sustainable Notes and any Eligible Sustainable Projects (or any other environmental, social or sustainability targets set by the Bank) and consequently payments of principal and interest on the Sustainable Notes shall not depend on the application of the equivalent amount, the performance of the Eligible Sustainable Projects or the performance of the Bank in respect of any environmental, social or sustainability targets.

An Eligible Sustainable Project may, during the life of the project, due to changes in the Sustainable Finance Framework and/or circumstances of the project or any other reasons, no longer satisfy the eligibility criteria set out in the Sustainable Finance Framework. The reallocation of the amounts allocated to that project to new Eligible Sustainable Projects may not be possible or may be delayed. No representation or assurance is given or made by the Issuer, the Bank, the Arrangers, the Dealers or any other person that the equivalent amount used for financing or refinancing, or investing in, Eligible Sustainable Projects will always satisfy the eligibility criteria.

Furthermore, it should be noted that there is currently no clear definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green", "social", "sustainability" or equivalently labelled project or as to what precise attributes are required for a particular project to be so considered and no assurance can be given that a clear definition or consensus will develop over time or that any prevailing market consensus will not change significantly. Accordingly, no assurance is or can be given (whether by the Issuer, the Bank, the Arrangers, the Dealers or any other person) to investors that: (a) any projects or uses the subject of, or related to, any Eligible Sustainable Projects will meet any or all investor expectations or requirements regarding such "green", "social", "sustainability" or other equivalently labelled performance objectives (including in relation to the EU Taxonomy or the EU Taxonomy as it forms part of domestic law by virtue of the EUWA, the EU Green Bond Regulation, the SFDR and any implementing legislation and guidelines, or any similar legislation in the UK or any requirements of such criteria and/or labels as they may evolve from time to time) and, accordingly, the status of any Notes as being "green", "social" or "sustainable" (or equivalent) could be withdrawn at any time; (b) any adverse environmental, social, sustainability and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Eligible Sustainable Projects; (c) the Sustainable Finance Framework will be aligned with the EU Taxonomy, the EU Green Bond Regulation, the SFDR or any other present or future sustainability framework or guidelines; or (d) any event with an adverse environmental, social, sustainability or other connotation will not occur during the life of any Sustainable Notes, which event may affect the value of Sustainable Notes and/or have adverse consequences for certain investors in the Sustainable Notes. It is not clear if the establishment of the European Green Bond Standard label and the optional disclosures regime for bonds issued as "environmentally sustainable" under the EU Green Bond Regulation could have an impact on investor demand for, and pricing of, sustainable use of proceeds securities that do not comply with the requirements of the European Green Bond Standard label or the optional disclosures regime, such as the Sustainable Notes issued under the Programme. It could, in future, result in reduced liquidity or lower demand or could otherwise affect the market price of any Sustainable Notes issued under the Programme that do not comply with those standards proposed under the European Green Bond Standard.

The Sustainable Finance Framework is intended to be aligned with the ICMA Green Bond Principles (2021 version) (with June 2022 Appendix I), Social Bond Principles (2023 version), Sustainability Bond Guidelines (2021 version), each as referred to in the Sustainable Finance Framework and published by the International Capital Market Association (the **ICMA Principles**). The Bank has appointed Sustainalytics to assess its Sustainable Finance Framework and its alignment with the ICMA Principles and to issue the Second Party Opinion.

None of the Issuer, the Bank, the Arrangers, the Dealers or any other person makes any representation or gives any assurance as to the Sustainable Finance Framework's compliance or alignment with the ICMA Principles. The ICMA Principles may be subject to change at any time without notice. Furthermore, none of the Sustainable Finance Framework, the Second Party Opinion, the ICMA Principles or any associated reports, verification assessments or the contents of the Bank's website have been verified nor do they constitute or form part of any offer to sell or issue, or any solicitation of any offer to purchase or subscribe for, any Sustainable Notes and none of them are incorporated in or form part of this Base Offering Circular.

None of the Arrangers, the Dealers or any of their respective affiliates makes any representation as to nor are they responsible for (i) the suitability of any Sustainable Notes to fulfil any environmental, social and/or

sustainability criteria required by prospective investors, (ii) whether the equivalent amount of any Sustainable Notes will be used to finance and/or refinance relevant Eligible Sustainable Projects or (iii) the characteristics of Eligible Sustainable Projects or businesses to which the proceeds of Sustainable Notes are to be allocated. None of the Arrangers, the Dealers or any of their respective affiliates has undertaken, nor are they responsible for, any assessment of or due diligence in respect of the Sustainable Finance Framework, the Eligible Sustainable Projects or the eligibility criteria, any verification of whether the Eligible Sustainable Projects meet the eligibility criteria, or the assessment, verification or monitoring of the use of proceeds. For the purposes of an investment in any Sustainable Notes, each prospective investor should make its own investigation and should determine for itself the relevance of the Sustainable Finance Framework, the Second Party Opinion and the information contained in this Base Offering Circular regarding the use of equivalent amounts and its investment in any Sustainable Notes should be based upon such investigation as it deems necessary.

Neither the Issuer nor the Bank provide any assurances regarding the suitability or reliability of any opinion (including the Second Party Opinion) or any admission to any index obtained with respect to Sustainable Notes

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any report, assessment, opinion (including the Second Party Opinion) or certification of any third party (whether or not solicited by the Issuer or the Bank) which may or may not be made available in connection with the issue of Sustainable Notes and in particular with any of the projects and companies funded with the equivalent amount to fulfil any green, social, sustainability or other criteria. No such report, assessment, opinion or certification is incorporated in or forms part of this Base Offering Circular. Any such report, assessment, opinion or certification is not, nor should it be deemed to be, a recommendation by the Issuer, the Bank, the Arrangers or any other person to buy, sell or hold Sustainable Notes. Any such report, assessment, opinion or certification is only current as at the date it was initially issued or made and is based upon the judgment of its provider. Each prospective investor must determine for itself the relevance of any such report, assessment, opinion or certification and/or the information contained therein and/or the provider of the report, assessment, opinion or certification for the purpose of any investment in Sustainable Notes. The providers of such reports, assessments, opinions and certifications are not subject to any specific oversight or any regulatory or other regime. Furthermore, a second party opinion (including the Second Party Opinion) may not reflect the potential impact of all the risks related to the structure or market, or the additional risk factors discussed above or the other factors that may affect the value of the Sustainable Notes or the projects financed or refinanced thereby, in an amount corresponding to the equivalent amount.

If a Tranche of Sustainable Notes is at any time listed or admitted to trading on any dedicated "green", "social", "sustainable" or other equivalently labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer, the Bank, the Arrangers, the Dealers or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own bylaws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, social, sustainability other impact of any projects or uses, the subject of or related to, any of the businesses and projects funded with the equivalent amount of any Sustainable Notes. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer, the Bank, the Arrangers, the Dealers or any other person that any such listing or admission to trading will be obtained in respect of any Sustainable Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Sustainable Notes concerned.

Risks relating to Renminbi-denominated Notes

Notes denominated in Renminbi ("**Renminbi Notes**") may be issued under the Programme. Renminbi Notes contain particular risks for potential investors, including;

Renminbi is not completely freely convertible and there are significant restrictions on the remittance of Renminbi into and out of the PRC which may adversely affect the liquidity of Renminbi Notes

Renminbi is not completely freely convertible at present. The government of the PRC (the "**PRC Government**") continues to regulate conversion between Renminbi and foreign currencies.

However, there has been significant reduction in control by the PRC Government in recent years, particularly over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

Although starting from 1 October 2016, the Renminbi has been added to the Special Drawing Rights basket created by the International Monetary Fund and policies further improving accessibility to Renminbi to settle cross-border transactions in foreign currencies were issued, there is no assurance that the PRC Government will continue to gradually liberalise its control over cross-border remittance of Renminbi in the future or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside of the PRC. In the event that funds cannot be repatriated outside of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuer to source Renminbi to finance its obligations under Renminbi Notes.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of Renminbi Notes and the Issuer's ability to source Renminbi outside the PRC to service Renminbi Notes

As a result of the restrictions imposed by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited.

While the People's Bank of China ("**PBOC**") has established Renminbi clearing and settlement mechanics for participating banks in the Applicable Jurisdictions through settlement agreements (the "**Settlement Agreements**") on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (each a "**RMB Clearing Bank**") and these RMB Clearing Banks have been permitted to engage in the settlement of Renminbi trade transactions.

There are restrictions imposed by the PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC. The relevant RMB Clearing Bank only has access to onshore liquidity support from the PBOC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In each case, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Agreements will not be terminated or amended in the future so as to have the effect of restricting the availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the Renminbi Notes. To the extent the Issuer is required to source Renminbi in the offshore market to service its Renminbi Notes, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all. If Renminbi is not available in certain circumstances as described in the Conditions applicable to the Renminbi Notes, the Issuer can make payments in other currencies as set out in the *Terms and Conditions of the Notes*.

Investment in Renminbi Notes is subject to exchange rate risks

The value of Renminbi against the U.S. dollar and other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. The Issuer will make all payments of interest and principal amounts with respect to the Renminbi

Notes in Renminbi unless otherwise specified. As a result, the value of these Renminbi payments may vary with the charges in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the U.S. dollar or other foreign currencies, the value of the investment made by a holder of the Renminbi Notes in U.S. dollar or other applicable foreign currency will decline.

In the event that access to Renminbi becomes restricted to the extent that, by reason of RMB Inconvertibility, RMB Non-transferability or RMB Illiquidity (as defined under "*Terms and Conditions of the Notes*"), the Issuer is unable, or it is impossible for it, to pay interest or principal in Renminbi, the Conditions allow the Issuer to make payment in such other currency as may be specified in the applicable Pricing Supplement as the "Relevant Currency" at the prevailing spot rate of exchange, all as provided in more detail in the Terms and Conditions. As a result, the value of these Renminbi payments may vary with the prevailing exchange rates in the marketplace. If the value of the Renminbi depreciates against such currency as may be specified in the applicable Pricing Supplement as the "Relevant Currency" or other foreign currencies, the value of a holder's investment in such currency as may be specified in the applicable Pricing Supplement as the "Relevant Currency" or other foreign currency terms will decline.

An investment in Renminbi Notes is subject to interest rate risks

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

As Renminbi Notes may carry a fixed interest rate, the trading price of such Renminbi Notes will vary with fluctuations in interest rates. If a holder of Renminbi Notes tries to sell any Renminbi Notes before their maturity, they may receive an offer that is less than the amount invested.

Payments in respect of Renminbi Notes will only be made to investors in the manner specified in such Renminbi Notes

Except in the limited circumstances stipulated in Condition 7.7 (as set out in the RMB provisions below), all Renminbi payments to investors in respect of the Renminbi Notes will be made solely (i) for so long as the Renminbi Notes are represented by a Temporary Bearer Global Note, a Permanent Bearer Global Note or a Registered Global Note (each as defined under "*Form of Notes*") held with the common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") or any alternative clearing system, by transfer to a Renminbi bank account maintained in the applicable RMB Settlement Centre(s) in accordance with prevailing Euroclear and Clearstream, Luxembourg rules and procedures or those of such alternative clearing system, as set out in the applicable Pricing Supplement; or (ii) for so long as the Renminbi Notes are in definitive form, by transfer to a Renminbi bank account maintained in the RMB Settlement Centre(s) in accordance with prevailing rules and regulations. Other than as described in the Conditions of the Notes, the Issuer cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

There may be PRC tax consequences with respect to investment in the Renminbi Notes

In considering whether to invest in the Renminbi Notes, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdictions. The value of a Holder's investment in the Renminbi Notes may be materially and adversely affected if the Holder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those Renminbi Notes.

Investment in Renminbi Notes may be subject to PRC tax

In considering whether to invest in the Renminbi Notes, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdictions. The value of the Noteholders' investment in the Renminbi Notes may be materially and adversely affected if the Noteholder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those Renminbi Notes.

Risks related to Notes generally

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

The conditions of the Notes contain provisions which may permit their modification without the consent of all investors

The conditions of the Notes contain provisions for calling meetings (including by way of conference call or by use of a videoconference platform) of Noteholders to consider and vote upon matters affecting their interests generally and to obtain Written Resolutions on matters relating to the Notes from Noteholders without calling a meeting. A Written Resolution signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes of the relevant Series who for the time being are entitled to receive notice of a meeting in accordance with the provisions of the Agency Agreement (as defined under "*Terms and Conditions of the Notes*") and whose Notes are outstanding shall, for all purposes, take effect as an Extraordinary Resolution.

In certain circumstances, where the Notes are held in global form in the clearing systems, the Issuer will be entitled to rely upon:

(i) where the terms of the proposed resolution have been notified through the relevant clearing system(s), approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing systems in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes of the relevant Series for the time being outstanding; and

(ii) where electronic consent is not being sought, consent or instructions given in writing directly to the Issuer by accountholders in the clearing systems with entitlements to such global note or certificate or, where the accountholders hold such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held (directly or via one or more intermediaries), **provided that** the Issuer has obtained commercially reasonable evidence to ascertain the validity of such holding and taken reasonable steps to ensure such holding does not alter following the giving of such consent/instruction and prior to effecting such resolution;

A Written Resolution or an electronic consent as described above may be effected in connection with any matter affecting the interests of Noteholders, including the modification of the Conditions, that would otherwise be required to be passed at a meeting of Noteholders satisfying the special quorum in accordance with the provisions of the Agency Agreement, and shall for all purposes take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held.

These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the Written Resolution or give their consent electronically, and including those Noteholders who voted in a manner contrary to the majority. For further details of such matters and the relevant majorities required at meetings of Noteholders, see Condition 17 and the corresponding provisions of the Agency Agreement.

The Conditions also provide that the Issuing and Principal Paying Agent and the Issuer may, without the consent of Noteholders, agree to (i) any modification of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders and the Couponholders; or (ii) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law. Any such modification shall be binding on the Noteholders and the Couponholders.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Bearer Notes and may be adversely affected if definitive Bearer Notes are subsequently required to be issued

In relation to any issue of Bearer Notes which have denominations consisting of a minimum Specified Denomination (as defined in the Pricing Supplement) plus one or more higher integral multiples of another smaller amount, it is possible that such Bearer Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds a nominal amount which is less than the

minimum Specified Denomination in their account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a nominal amount of Bearer Notes at or in excess of the minimum Specified Denomination such that its holding amounts to one or more Specified Denominations. Further, a holder who, as a result of trading such amounts, holds a nominal amount which is less than the minimum Specified Denomination in their account with the relevant clearing system at the relevant time may not receive a definitive Bearer Note in respect of such holding (should definitive Bearer Notes be printed) and would need to purchase a nominal amount of Bearer Notes at or in excess of the minimum Specified Denomination such that its holding amounts to one or more Specified Denominations.

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

The Notes will be held in global form, subject to limited exceptions, and traded in the clearing systems

Notes issued under the Programme will be represented on issue by one or more Global Notes that may be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in each Global Note, investors will not be entitled to receive Notes in definitive form. Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Note held through it. While the Notes are represented by a Global Note, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

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

Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

Risks related to the market generally

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

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

Notes may have no established trading market when issued, and one may never develop. If a market for the Notes does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may adversely affect the market value of the Notes.

If an investor holds Notes which are not denominated in the investor's home currency, they will be exposed to movements in exchange rates adversely affecting the value of their holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

The Issuer will pay principal and interest on the Notes and the Guarantor will make any payments under the Deed of Guarantee in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

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

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

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

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

One or more independent credit rating agencies may assign credit ratings to the Issuer, the Guarantor or the Notes. 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 Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Any adverse change in an applicable credit rating could adversely affect the trading price of the Notes that have been issued.

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

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK, of existing pre-2021 ratings, provided the relevant conditions are satisfied.

If the status of the rating agency rating the Notes changes, European regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European regulated investors selling the Notes which, in turn, may impact the value of the Notes and any secondary market in the Notes. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Offering Circular.

Taxation risks on payments

Payments made by the Issuer and the Guarantor in respect of the Notes and the Guarantee, respectively, could become subject to taxation in the future. Condition 9 (*Taxation*) requires the Issuer or Guarantor to pay additional amounts in certain circumstances in the event that any withholding, deduction, or retention for, or on account of, any present or future taxes, levies, imports, fees, duties, assessments or governmental charges of whatever nature is imposed, levied, collected, withheld or assessed by or on behalf of the UAE (including the Dubai International Financial Centre) and/or Kuwait or any authority therein or thereof having power to tax in respect of payments under the Notes or the Guarantee, as the case may be, such that net amounts received by the holders of the Notes after such withholding, deduction, or retention shall equal

the respective amounts of principal and distributions which would otherwise have been receivable in respect of the Notes in the absence of such withholding, deduction, or retention.

The circumstances described above may entitle the Issuer to redeem all (but not some only) of the Notes.

The application and enforcement of the Kuwaiti income tax regime is uncertain, and holders of the Notes which are "non–GCC corporate entities" may become subject to the Kuwaiti income tax regime in certain limited circumstance

Article 150 (bis) of Law No. 7 of 2010 Concerning the Establishment of the Capital Markets Authority and the Regulating of Securities Activities, which was introduced pursuant to Law No. 22 of 2015) ("**Article 150 (bis)**"), provides that, without prejudice to the exemptions prescribed on capital gains tax arising from the disposal of securities issued by companies listed on Bourse Kuwait, the returns from bonds and other similar securities, regardless of the nature of the issuer, are exempt from Kuwait tax.

In addition, the Kuwait Ministry of Finance has issued Administrative Resolution No. 2028 of 2015 (the "**Administrative Resolution**"), which essentially endorses the provisions of Article 150 (bis).

However, the Ministry of Finance's Department of Income Tax ("**DIT**") has to date not always adopted consistent rulings on Kuwaiti tax matters more generally. Accordingly, to the extent that the exemption afforded by Article 150 (bis) is held not to apply to the Notes, or to a particular Noteholder, such Noteholder or the Noteholders which are non-GCC corporate entities may become subject to income tax in Kuwait.

In addition, neither Article 150 (bis) nor Ministry of Finance Administrative Order No. 2028 of 2015 endorsing the provisions thereof addressed the issue of whether or not there remains an obligation (as described under "*Taxation — Kuwait*") to deduct 5 per cent. of the amount of any payments made by the Guarantor to the Issuer or the Noteholders (if there is a call on the Guarantee). Accordingly, there is a possibility that the deduction of the 5 per cent. obligation may be applied in certain circumstances, pending resolution of their tax position. The deducted 5 per cent. would be released by the Guarantor upon presentation to it by the Noteholders of a tax clearance certificate from the DIT. In any event, any deducted amounts would be required to be grossed up by the Guarantor pursuant to the provisions of the Conditions (See Condition 9 (*Taxation*)) and accordingly, in practice, a Noteholder would not need to present such a tax clearance certificate. In addition, in the event of any such deduction, the Deed of Guarantee also provides that the Guarantor will pay such additional amounts in order that the net amounts received by the Noteholders shall equal the amount which would have been receivable in the absence of such deduction.

To date there has been no official statement made publicly by the DIT regarding its interpretation of Article 150 (bis) and/or its application. Similarly, the Kuwaiti Courts (who will be the final arbiters on the matter) have not been required to interpret such provision to date. Therefore, it is not possible to state definitively how the DIT and/or the Kuwaiti Courts may implement or enforce the Taxation Laws (as defined in "*Taxation — Kuwait*") including Article 150(bis) in practice.

MNE's with an operating presence in Kuwait (including, but not necessarily limited to, through permanent establishments) are subject to the relevant provisions of the MNE Law. The MNE Law will impose a 15 per cent. corporate income tax on MNE's with revenues of at least €750 million for a minimum of two tax periods among the four tax periods immediately preceding the relevant tax period from the ultimate parent company of a multinational group entity. The MNE Law purports to exempt MNE's subject to the MNE Law from the application of a number of tax laws including Kuwait Income Tax Decree No. 3 of 1955, as amended. There are uncertainties surrounding the implementation and application of the MNE Law due to its novel nature, the absence of any further definitive guidance and/or directives of the DIT in relation to the MNE Law, and the lack of any judicial precedent concerning the MNE Law.

Prospective purchasers of the Notes are advised to consult their tax advisers as to the consequences under Kuwaiti and other applicable tax laws of acquiring, holding and disposing of the Notes and receiving payments under the Notes and the Guarantee. See "*Taxation — Taxation risks on payments*." for further details.

Value Added Tax

As at the date of this Base Offering Circular, Kuwait does not impose value added tax (VAT) on the sale of goods and services. However, investors should be aware that the GCC states, including Kuwait, have agreed to the implementation of the GCC-wide VAT framework, to be introduced at a rate of 5 per cent.

(the "**VAT Framework**"). The national legislation of Kuwait implementing the VAT Framework has yet to be promulgated and no Kuwait-specific details of the regime have been released as at the date of this Base Offering Circular. Therefore, it is impossible to state with any accuracy if, and when, VAT will be introduced in Kuwait. Further, due to the wide discretion conferred to each GCC member state under the VAT Framework, the terms and conditions of the VAT regime, if introduced, are not known as at the date of this Base Offering Circular. If the Guarantor becomes subject to VAT in Kuwait, its profitability may be adversely affected which may then impact its ability to fulfil its obligations under the Guarantee.

Tax changes in Kuwait may have an adverse effect on the Guarantor

The implementation of new international tax regimes, such as the Organisation for Economic Co-operation and Development ("**OECD**") "BEPS 2.0 Pillar 2" may have an impact on the Guarantor and its group companies. On 15 November 2023, the OECD announced that Kuwait had joined the OECD/G20 Inclusive Framework on BEPS, including the BEPS 2.0 Pillar 2 initiative, which introduces a global minimum corporate tax rate set at 15 per cent. In furtherance to the BEPS 2.0 Pillar 2 initiative, Decree Law No. 157 of 2024 regarding the Issuance of Tax Law on Multinational Group Entities (the "**MNEs Tax Law**") was issued on 31 December 2024. The MNEs Tax Law introduces a domestic minimum top-up tax ("**DMTT**") effective from 1 January 2025 on multinational entities ("**MNEs**") which are part of a group with annual revenues of EUR 750 million or more. The MNEs Tax Law provides that DMTT shall be payable on the taxable income at a rate equal to the difference between 15 per cent. and the effective tax rate of all constituent entities of the MNE's group operating within Kuwait. The taxable income and effective tax rate shall be computed in accordance with Ministerial Resolution No. 55 of 2025, published in the Kuwait Official Gazette on 30 June 2025 and effective from 1 July 2025, promulgating the executive regulations to the MNEs Tax Law. The MNEs Tax Law effectively replaces the existing National Labour Support Tax and Zakat tax regimes in Kuwait for MNEs within the scope of the MNEs Tax Law. In the six-month period ended 30 June 2025, the Group recorded DMTT of KD 0.5 million compared to National Labour Support Tax and Zakat of KD 0.8 million in aggregate in the corresponding period of 2024.

To the extent that the Kuwaiti or other authorities impose new taxes that impact the Guarantor, or introduce any other changes in tax laws, this may have a material adverse effect on the Guarantor's business, results of operations, cash flows or financial condition which, in turn, may affect the Guarantor's ability to perform its obligations in respect of the Deed of Guarantee.

Enforcement under Kuwaiti Law

The insolvency regime in Kuwait is relatively untested with limited guidance as to how the legislative framework will be applied in practice by the courts in Kuwait

Notwithstanding that the Deed of Guarantee is expressed to be governed by English law, in the event of the Guarantor's insolvency, Kuwaiti insolvency law implemented through Law No. 71 of 2020 (the "**Insolvency Law**") shall apply. It is to be noted that the previous Kuwait bankruptcy regime was replaced by the Insolvency Law which came into full force and effect on 25 July 2021. The Kuwait bankruptcy regime may, in the event of the Guarantor's insolvency, adversely affect the Guarantor's ability to perform its obligations under the Deed of Guarantee. Further, obtaining a final bankruptcy judgment in Kuwait may take several years. There is little precedent to predict how any claims on behalf of holders of the Notes against the Guarantor would be resolved in the event of the Guarantor's insolvency and therefore there can be no assurance that holders of the Notes will receive payment of their claims in full or at all in these circumstances.

Enforceability of the Guarantor's obligations under the Guarantee

Under Kuwaiti law, the obligations of a guarantor are incidental to the obligations of the principal debtor, and the obligations of the guarantor will only be valid to the extent of the continuing obligations of the principal debtor. In addition, in order to enforce a guarantee under Kuwaiti law, the underlying debt obligation for which such guarantee has been granted may need to be proved before the Kuwaiti courts.

Accordingly, if upon enforcement Kuwaiti law is applied to the Guarantee, the obligations of the Guarantor under the Guarantee will be treated as incidental obligations and dependent on the validity and the enforceability of the Issuer's obligations under the Notes and the Issuer's obligations under the Notes may, therefore, need to be proved before the courts of Kuwait in order for the obligations of the Guarantor under the Guarantee to be enforceable.

There is a risk that the Kuwaiti Courts will assume jurisdiction

The Deed of Guarantee, the Agency Agreement, the Deed of Covenant and the Notes (the "**Documents**") each contains a provision to the effect that disputes arising under the Documents will be referred to arbitration under the London Court of International Arbitration Rules (the "**LCIA Rules**").

Nevertheless, if a claim is brought before the courts of Kuwait (the "**Kuwaiti Courts**"), the Kuwaiti Courts may still accept jurisdiction in any suit, action or proceedings in the situations identified in Articles 23, 24 and 26 of Kuwait Law No. 38 of 1980 (the Code of Civil and Commercial Procedure), as amended (the "**Code**"). These situations include (a) where the defendant in the proceedings expressly or impliedly accepted the jurisdiction of the Kuwaiti Courts, (b) where the defendant is a Kuwaiti national or is resident, domiciled or has a place of business or a chosen domicile in Kuwait or (c) if such legal proceedings relate to property (movable or immovable) located in Kuwait, an obligation is created, executed or required to be performed in Kuwait or a bankruptcy is declared in Kuwait.

There can therefore be no assurance that the Kuwaiti Courts will decline jurisdiction to adjudicate any dispute under the Documents, notwithstanding that the Documents provide that the parties have agreed that any disputes arising thereunder shall be referred to arbitration. The risk that the Kuwaiti Courts would assume jurisdiction on the proceedings is reduced, but not eliminated, in the event that, (a) the respondent to a claim raises procedural defences as regards the jurisdiction, and (b) the existence of previous or simultaneous proceedings in, or res judicata judgments from, a competent jurisdiction outside Kuwait, on the subject matter and involving the same disputing parties. In addition to the foregoing, Article 173 of the Code provides that the Kuwaiti Courts have no jurisdiction to hear disputes which have been validly agreed to be referred to arbitration, **provided that** the party raising the existence of an arbitration provision does so before taking any substantive steps in the proceedings, or any other act or omission which would be considered a waiver of the right to seek arbitration. The Kuwaiti Courts will not recognize or give effect to the choice of the laws of England to govern the Documents nor enforce a foreign judgment or foreign arbitral award to the extent that any such laws, judgments or arbitral awards are found by the Kuwaiti Courts to be contrary to the rules of public order or morality of Kuwait.

Enforcing arbitral awards in Kuwait

Kuwait is a party to the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the "**New York Convention**"). A foreign arbitral award will be recognised and enforced in Kuwait (without re-trial or examination of the merits of the case) in accordance with the Code. Article 200 of the Code provides that foreign arbitral awards are to be recognised and enforced under the same conditions (applied *mutatis mutandis* to foreign arbitral awards) as are applied in respect of the enforcement of foreign judgments under Article 199 of the Code which requires that: (a) the courts of the jurisdiction by which the judgment was rendered must afford reciprocal treatment to judgments rendered in Kuwait; (b) the judgment must be rendered by a competent authority according to the law of the jurisdiction in which it was rendered; (c) the parties must have been duly summoned to appear and were duly represented at the proceedings; (d) the judgment must be final and non-appealable (*res judicata*) according to the law of the jurisdiction in which it was rendered; (e) the judgment must not contradict any prior judgment rendered by a Kuwaiti Court; and, (f) the judgment must not contain anything in conflict with the general morals or public order of Kuwait.

In addition, the subject matter of the award must be considered arbitrable under Kuwaiti law and the arbitral award must be enforceable in the jurisdiction in which it was rendered. The requirement to establish reciprocal enforcement under Articles 199 and 200 of the Code with respect to the recognition and enforcement of arbitral awards issued in England is satisfied as England and Kuwait are both signatories to the New York Convention.

As noted above, enforcement of a foreign arbitral award or foreign judgment in Kuwait requires the filing of an enforcement action in the Kuwaiti Courts. Proceedings before the Kuwaiti Courts, including enforcement actions, can take a relatively long time before a final and non-appealable judgment is issued.

There have not been many occasions in which the Kuwaiti Courts have been asked to consider the enforcement of foreign arbitral awards or foreign judgments and so (notwithstanding that on those occasions when they have been asked to do so they have shown that they will follow the provisions of the Code and enforce an arbitral award) there is not a large body of decided cases in which the practical implications of complying with Articles 199 and 200 of the Code have been analysed.

Change in law

The Documents are governed by English law in effect as at the date of this Base Offering Circular. No assurance can be given as to the impact of any possible change to English or Kuwaiti law after the date of this Base Offering Circular, nor can any assurance be given as to whether any such change could adversely affect the ability of the Issuer or the Guarantor to make payments under each Document to which it is respectively a party.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published shall be incorporated in, and form part of, this Base Offering Circular:

(a) the unaudited interim condensed consolidated financial statements for the six month period ended 30 June 2025 of the Group together with the audit report thereon (an electronic copy of which is available at: https://www.burgan.com//Financial%20Statements/BurganBank30June2025.pdf);

(b) the consolidated financial statements for the year ended 31 December 2024 of the Group together with the audit report thereon (an electronic copy of which is available at: https://www.burgan.com//Financial%20Statements/BurganBankFS31Dec2024.pdf); and

(c) the consolidated financial statements for the year ended 31 December 2023 of the Group together with the audit report thereon (an electronic copy of which is available at: https://www.burgan.com//Financial%20Statements/Burgan%20Bank%20FS%2031%20Dec%202023_English.pdf); and

Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Offering Circular shall not form part of this Base Offering Circular.

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

OVERVIEW OF THE PROGRAMME

This general description must be read as an introduction to this Base Offering Circular and any decision to invest in any Notes should be based on a consideration of this Base Offering Circular as a whole. The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Offering Circular and, in relation to the conditions of any particular Tranche of Notes, the applicable Pricing Supplement. The Issuer and the Guarantor and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only and if appropriate, a supplemental Base Offering Circular will be published.

This overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980 and Delegated Regulation (EU) No 2019/980 as it forms part of domestic law by virtue of the EUWA (the "**UK Delegated Regulation**").

Words and expressions defined in "*Form of the Notes*", "*Terms and Conditions of the Notes*" and "*Description of the Bank*" shall have the same meanings in this summary.

Issuer:	Burgan Senior SPC Limited, a special purpose company, incorporated in the Dubai International Financial Centre
Issuer Legal Entity Identifier (LEI):	558600G8B5ZWQJ91NK28
Guarantor:	Burgan Bank K.P.S.C. incorporated in the State of Kuwait.
Guarantor Legal Entity Identifier (LEI):	558600NC81HKXMFSTY52
Risk Factors:	There are certain factors that may affect the Issuer's ability to fulfil its obligations under or in connection with Notes issued under the Programme. There are also certain factors that may affect the Guarantor's ability to fulfil its obligations under the Deed of Guarantee. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme and risks relating to the structure of a particular Series of Notes issued under the Programme. All of these factors are set out under "*Risk Factors*".
Description:	Euro Medium Term Note Programme
Arrangers:	HSBC Bank plc Standard Chartered Bank
Dealers:	Citigroup Global Markets Limited HSBC Bank plc Kamco Investment Company K.S.C.P. Mizuho International plc Standard Chartered Bank

	and any other Dealers appointed in accordance with the Programme Agreement.
Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "*Subscription and Sale*").
	Notes having a maturity of less than one year
	Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 ("**FSMA**") unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent, see "*Subscription and Sale*".
Issuing and Principal Paying Agent:	HSBC Bank plc
Registrar:	HSBC Bank plc
Programme Size:	Up to U.S.$1,500,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuer and the Guarantor may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:.....	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:.....	Subject to any applicable legal or regulatory restrictions, Notes may be denominated in any currency agreed between the Issuer, the Guarantor and the relevant Dealer.
Maturities:	The Notes will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer, the Guarantor or the relevant Specified Currency.
Issue Price:.....	Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	The Notes will be issued in bearer or registered form as described in "*Form of the Notes*".
	Registered Notes will not be exchangeable for Bearer Notes and *vice versa*.

Fixed Rate Notes: ..... Fixed interest will be payable on such date or dates as may be agreed between the Issuer, the Guarantor and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer, the Guarantor and the relevant Dealer.

Floating Rate Notes:..... Floating Rate Notes will bear interest at a rate determined:

(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series) or the 2021 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the relevant Series of Notes); or

(ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service.

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.

Benchmark Discontinuation:..... In the event that a Benchmark Event occurs, such that any rate of interest (or any component part thereof) cannot be determined by reference to the original benchmark or screen rate (as applicable) specified in the applicable Pricing Supplement, then such rate of interest may be substituted (subject to certain conditions) with a successor or alternative benchmark with the application of an adjustment spread and with consequent amendment to the terms of such Series of Notes. See Condition 6.2(c) (*Interest on Floating Rate Notes – Benchmark Replacement*) for further information.

Redemption:..... The applicable Pricing Supplement will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other

terms as may be agreed between the Issuer, the Guarantor and the relevant Dealer.

Denomination of Notes: ..... The Notes will be issued in such denominations as may be agreed between the Issuer, the Guarantor and the relevant Dealer, as specified in the applicable Pricing Supplement, save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and save that the minimum denomination of each Note admitted to trading in a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which would otherwise require the publication of a prospectus under the UK Prospectus Regulation will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency as at the date of issue of the Notes).

Taxation: ..... All payments in respect of the Notes will be made without withholding, deduction or retention for or on account of taxes imposed by any Tax Jurisdiction unless the withholding, deduction or retention is required by law as provided in Condition 9. In the event that any such withholding, deduction or retention is made, the Issuer or, as the case may be, the Guarantor will, save in certain limited circumstances provided in Condition 9, be required to pay additional amounts to cover the amounts so deducted.

Negative Pledge: ..... The terms of the Notes will contain a negative pledge provision as further described in Condition 5.

Cross Default: ..... The terms of the Notes will contain a cross default provision as further described in Condition 11.

Status of the Notes:..... The Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 5) unsecured obligations of the Issuer and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.

Deed of Guarantee: ..... The payments of principal and interest in respect of the Notes have been unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under the Deed of Guarantee are direct, unconditional and (subject to the provisions of Condition 4) unsecured obligations of the Guarantor and (save for certain obligations required to be preferred by law) rank equally with all other unsecured obligations (other than subordinated obligations, if any) of the Guarantor from time to time outstanding.

Rating:.....	The Programme has been assigned a long-term senior unsecured rating of A by Fitch and a long-term senior unsecured ratings of BBB+ by S&P. Series of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will be disclosed in the applicable Pricing Supplement and will not necessarily be the same as the ratings assigned to the Programme. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Listing and admission to trading:	Application has been made to the London Stock Exchange for the Notes to be issued under the Programme to be admitted to trading on the ISM during the period of 12 months after the date hereof. The ISM is not a regulated market for the purposes of the UK Prospectus Regulation. The ISM is a market designated for professional investors. Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer, the Guarantor and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued. The applicable Pricing Supplement will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
Governing Law and Dispute Resolution:	The Agency Agreement, the Deed of Covenant, the Deed of Guarantee and the Notes and any non-contractual obligations arising out of, or in connection with the Agency Agreement, the Deed of Covenant, the Deed of Guarantee and the Notes will be governed by, and shall be construed in accordance with, English law. In respect of any dispute, claim, difference or controversy under the Notes, the Agency Agreement, the Deed of Covenant and the Deed of Guarantee, each of the parties thereto have consented to arbitration in accordance with the LCIA Arbitration Rules.
Selling Restrictions:.....	There are restrictions on the offer, sale and transfer of the Notes in the United States, Canada, the EEA, the United Kingdom, Japan, Hong Kong, the UAE (excluding the Abu Dhabi Dubai Global Market and the Dubai International Financial Centre), the Abu Dhabi Global Market, the Dubai International Financial Centre, Saudi Arabia, the Kingdom of Bahrain, Qatar (including the Qatar Financial Centre), Kuwait and Singapore and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see "*Subscription and Sale*".
United States Selling Restrictions:	Regulation S, Category 2. TEFRA C/TEFRA D/TEFRA not applicable, as specified in the applicable Pricing Supplements.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which, subject to completion in accordance with the provisions of Part A of the relevant Pricing Supplement will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Pricing Supplement (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to "Applicable Pricing Supplement " for a description of the content of Pricing Supplement which will specify which of such terms are to apply in relation to the relevant Notes.

1. INTRODUCTION

This Note is one of a Series (as defined below) of Notes issued by Burgan Senior SPC Limited (the "**Issuer**") pursuant to the Agency Agreement (as defined below).

References herein to the **Notes** shall be references to the Notes of this Series and shall mean:

(a) in relation to any Notes represented by a global Note (a "**Global Note**"), units of each Specified Denomination in the Specified Currency;

(b) any Global Note;

(c) any definitive Notes in bearer form ("**Bearer Notes**") issued in exchange for a Global Note in bearer form; and

(d) any definitive Notes in registered form ("**Registered Notes**") (whether or not issued in exchange for a Global Note in registered form).

The Notes and the Coupons (as defined below) have the benefit of an amended and restated agency aagreement (such agency agreement as further amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") dated 3 October 2025 and made between the Issuer, Burgan Bank K.P.S.C. (the "**Guarantor**") as guarantor, HSBC Bank plc as issuing and principal paying agent (the "**Issuing and Principal Paying Agent**", which expression shall include any successor agent) and the other paying agents named therein (together with the Issuing and Principal Paying Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents), HSBC Bank plc as registrar (the "**Registrar**", which expression shall include any successor registrar) and a transfer agent and the other transfer agents named therein (if any) (together with the Registrar, the "**Transfer Agents**", which expression shall include any additional or successor transfer agents).

Interest bearing definitive Bearer Notes have interest coupons ("**Coupons**") and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered Notes and Global Notes do not have Coupons or Talons attached on issue.

The payment of all amounts in respect of this Note have been guaranteed by the Guarantor pursuant to a Deed of Guarantee (such Deed of Guarantee as modified and/or supplemented and/or restated from time to time, the "**Deed of Guarantee**") dated 3 October 2025 and executed by the Guarantor. The original of the Deed of Guarantee is held by the Issuing and Principal Paying Agent on behalf of the Noteholders and the Couponholders at its specified office.

The Pricing Supplement for this Note (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement attached to or endorsed on this Note which supplement these Terms and Conditions (the "**Conditions**"). References to the **applicable Pricing Supplement** are, unless otherwise stated, to Part A of the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Note. The expression "**UK Prospectus Regulation**" means Regulation (EU)

2017/1129, as it forms part of domestic law of the United Kingdom ("**UK**") by virtue of the European Union (Withdrawal) Act 2018.

Any reference to **Noteholders** or **holders** in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to **Couponholders** shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

The Noteholders and the Couponholders are entitled to the benefit of the Deed of Covenant (such Deed of Covenant as amended and/or supplemented and/or restated from time to time, the "**Deed of Covenant**") dated 3 October 2025 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

Copies of the Agency Agreement and the Deed of Covenant are (i) available for inspection and/or collection during normal business hours at the specified office of the Issuing and Principal Paying Agent, the Registrar and each of the Paying Agents and Transfer Agents (such Agents and the Registrar being together referred to as the "**Agents**") or (ii) may be provided by email to a Noteholder or Couponholder following their prior written request to the relevant Agent and provision of proof of holding and identity (in a form satisfactory to such Agent). Copies of the applicable Pricing Supplement are available for viewing at the registered office of the Issuer and of the Issuing and Principal Paying Agent and copies may be obtained from those offices save that, if this Note is neither admitted to trading on a regulated market in the UK in circumstances where a prospectus is required to be published under the UK Prospectus Regulation, the applicable Pricing Supplement will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant and the applicable Pricing Supplement which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Pricing Supplement shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between the Agency Agreement and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

2. FORM, DENOMINATION AND TITLE

The Notes are in bearer form or in registered form as specified in the applicable Pricing Supplement and, in the case of definitive Notes, serially numbered, in the currency (the "**Specified Currency**") and the denomination (the "**Specified Denomination(s)**") specified in the applicable Pricing Supplement, **provided that** in the case of any Notes which are to be admitted to trading on a regulated market within the UK or offered to the public in a Member State of the UK in circumstances which would otherwise require the publication of a prospectus under the UK Prospectus Regulation, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

This Note may be a Fixed Rate Note, a Floating Rate Note or a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Pricing Supplement.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in the Conditions are not applicable.

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, the Guarantor and any Paying Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor and the Agents as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such principal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer, the Guarantor and any Agent as the holder of such principal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Pricing Supplement.

3. TRANSFERS OF REGISTERED NOTES

3.1 Transfers of interests in Registered Global Notes

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note of the same series will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form only in the authorised denominations set out in the applicable Pricing Supplement and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement and the terms of the Registered Global Note.

3.2 Transfers of Registered Notes in definitive form

Upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Pricing Supplement). In order to effect any such transfer (i) the holder or holders must (A) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of any Transfer Agent and the

Registrar, with the form of transfer thereon duly executed by the holder or holders thereof or their respective attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the relevant Transfer Agent and (ii) the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 7 to the Agency Agreement).

Subject as provided above, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate principal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

3.3 **Registration of transfer upon partial redemption**

In the event of a partial redemption of Notes under Condition 8, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

3.4 **Costs of registration**

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

4. **STATUS OF THE NOTES AND THE DEED OF GUARANTEE**

4.1 **Status of the Notes**

The Notes and any relevant Coupons, are direct, unconditional, unsubordinated and (subject to the provisions of Condition 5) unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding. The Issuer shall execute such instruments and do or take any such action as may be required by the Dubai International Financial Centre to ensure the effectiveness of such ranking following any change in any law or regulation relating thereto which becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes and which requires the Issuer to take such action.

4.2 **Status of the Deed of Guarantee**

The payment of principal and interest in respect of the Notes has been unconditionally and irrevocably guaranteed by the Guarantor (the "**Deed of Guarantee**"). The obligations of the Guarantor under the Deed of Guarantee are direct, unconditional, unsubordinated and (subject to the provisions of Condition 5) unsecured obligations of the Guarantor and (save for certain obligations required to be preferred by law) rank equally with all other unsecured obligations (other than subordinated obligations, if any) of the Guarantor, from time to time outstanding.

5. **NEGATIVE PLEDGE**

5.1 **Negative Pledge**

So long as any of the Notes or Coupons remains outstanding (as defined in the Agency Agreement) neither the Issuer nor the Guarantor will, and the Issuer and the Guarantor will procure that none

of their respective Subsidiaries (as defined below) will, create or have outstanding any mortgage, charge, lien, pledge or other security interest (each a "**Security Interest**") upon, or with respect to, any present or future business, undertaking, assets or revenues (including any uncalled capital) of the Issuer, the Guarantor and/or any of their respective Subsidiaries to secure: (a) any Relevant Indebtedness or Relevant Sukuk Obligation (each as defined below); or (b) any guarantee or indemnity in respect of any Relevant Indebtedness or Relevant Sukuk Obligation, unless the Issuer or the Guarantor, as the case may be, in the case of the creation of a Security Interest, before or at the same time and, in any other case, promptly, takes any and all action necessary to ensure that:

(a) all amounts payable by it under the Notes and Coupons and/or the Deed of Guarantee as the case may be, are secured by the Security Interest equally and rateably with the Relevant Indebtedness, Relevant Note Obligation, or guarantee or indemnity in respect thereof, as the case may be; or

(b) such other Security Interest or other arrangement (whether or not it includes the giving of a Security Interest) is provided as is approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.

5.2 **Interpretation**

For the purposes of these Conditions:

(a) **Relevant Indebtedness** means any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other securities, which for the time being are, or are intended to be, or are capable of being, quoted, listed or ordinarily dealt in or traded on any stock exchange, over-the-counter or other securities market;

(b) **Relevant Sukuk Obligation** means any present or future undertaking or other obligation to pay any money given in connection with the issue of certificates, whether or not in return for consideration of any kind, which for the time being are, or are intended to be, or are capable of being, quoted, listed or ordinarily dealt in or traded on any stock exchange, over-the counter or other securities market; and

(c) **Subsidiary** means in relation to any person (the "**first person**") at any particular time, any other person (the "**second person**"):

(i) whose affairs and policies the first person controls or has power to control (directly or indirectly), whether by ownership or share capital, contract, the power to appoint or remove members of the governing body of the second person or otherwise; or

(ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first person.

6. **INTEREST**

6.1 **Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount (as defined in the relevant Pricing Supplement). Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

In the case of a Fixed Rate Note where the Specified Currency is Renminbi and the applicable Pricing Supplement specifies a Business Day Convention to be applicable (an "**Adjusted Renminbi Fixed Rate Note**"), each Interest Payment Date (and, accordingly, the relevant Fixed

Rate Period) will be adjusted (if required) in accordance with the relevant Business Day Convention. For this purpose, the provisions relating to the application of a Business Day Convention set out in Condition 6.2(a) below shall apply to this Condition 6.1, *mutatis mutandis*, save that, for the purposes of the Conditions relating to an Adjusted Renminbi Fixed Rate Note, the term **Business Day** shall mean a day (other than a Saturday or Sunday or public holiday) on which commercial banks and foreign exchange markets are generally open for business and settle Renminbi payments in the applicable RMB Settlement Centre(s) (as defined in Condition 7.7 below).

Interest shall be calculated in respect of any period for which an applicable Fixed Coupon Amount or Broken Amount is not specified in the applicable Pricing Supplement and in respect of the Fixed Interest Periods relating to Adjusted Renminbi Fixed Rate Notes by applying the Rate of Interest to:

(A) in the case of Fixed Rate Notes or Adjusted Renminbi Fixed Rate Notes, as the case may be, which are represented by a Global Note, the aggregate outstanding principal amount of the Fixed Rate Notes represented by such Global Note; or

(B) in the case of Fixed Rate Notes or Adjusted Renminbi Fixed Rate Notes, as the case may be, in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note or Adjusted Renminbi Fixed Rate Notes, as the case may be, in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note or Adjusted Renminbi Fixed Rate Notes, as the case may be, shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

As used in these Conditions:

Calculation Amount means the amount specified as such in the applicable Pricing Supplement;

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 6.1:

(a) if "Actual/Actual (ICMA)" is specified in the applicable Pricing Supplement:

(i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or

(ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;

(b) if "30/360" is specified in the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360; and

(c) if "Actual/365" (Fixed) is specified in the applicable Pricing Supplement, the actual member of days in the Interest Period divided by 365;

Determination Period means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

Fixed Interest Period means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date (or, if Notes are redeemed on any earlier date, the relevant redemption date); and

sub-unit means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

6.2 **Interest on Floating Rate Notes**

(a) **Interest Payment Dates**

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

(i) the Specified Interest Payment Date(s) in each year specified in the applicable Pricing Supplement; or

(ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each such date, together with each Specified Interest Payment Date, an "**Interest Payment Date**") which falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each **Interest Period** (which expression shall, in the Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date) or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date.

If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(a) in any case where Specified Periods are specified in accordance with Condition 6.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, 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 (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

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

(c) 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;; or

(d) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the Conditions, unless otherwise specified **Business Day** means:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre (other than the T2) specified in the applicable Pricing Supplement;

(b) if the T2 is specified as an Additional Business Centre in the applicable Pricing Supplement, a day on which the real time gross settlement operated by the Eurosystem or any successor system (the "**T2**") is open; and

(c) either (i) in relation to any sum payable in a Specified Currency other than euro and Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (ii) in relation to any sum payable in euro, a day on which the T2 is open or (iii) in relation to any sum payable in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets in the applicable RMB Settlement Centre(s) are generally open for business and settlement of Renminbi payments in the applicable RMB Settlement Centre(s).

(b) **Rate of Interest**

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Pricing Supplement.

(i) **ISDA Determination for Floating Rate Notes**

Where the applicable Pricing Supplement specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any). For the purposes of this subparagraph (i), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Issuing and Principal Paying Agent under an interest rate swap transaction if the Issuing and Principal Paying Agent were acting as Calculation Agent (as defined in the ISDA Definitions (as defined below)) for that swap transaction under the terms of an agreement incorporating (i) if "2006 ISDA Definitions" is specified in the applicable Pricing Supplement, the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") and as amended and updated as at the Issue Date of the first Tranche of the Notes; or (ii) if "2021 ISDA Definitions" is specified in the applicable Pricing Supplement, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions as published by ISDA as at the Issue Date of the first Tranche of the Notes; (together, the "**ISDA Definitions**") and under which:

(A) the Floating Rate Option is as specified in the applicable Pricing Supplement;

(B) the Designated Maturity is a period specified in the applicable Pricing Supplement; and

(C) the relevant Reset Date is the day specified in the applicable Pricing Supplement.

For the purposes of this subparagraph (i), **Floating Rate**, **Floating Rate Option**, **Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Pricing Supplement the Minimum Rate of Interest shall be deemed to be zero.

(ii) **Screen Rate Determination for Floating Rate Notes not Referencing SOFR:**

If Screen Rate Determination not Referencing SOFR is specified in the relevant Pricing Supplement for Notes not referencing SOFR as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest relevant to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

(i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page (or such replacement page on that service which displays the information) as of the Relevant Time on the relevant Interest Determination Date;

(ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page (or such replacement page on that service which displays the information) as of the Relevant Time on the relevant Interest Determination Date; and

(iii) and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided that** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, and **provided further that** such failure is not due to the occurrence of a Benchmark Event, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

If the Rate of Interest cannot be determined because of the occurrence of a Benchmark Event, the Rate of Interest shall be calculated in accordance with the terms of Condition 6.2(c) (*Floating Rate Note Provisions – Benchmark Replacement*).

In these Conditions, **Reference Rate** means one of the following benchmark rates (as specified in the applicable Pricing Supplement) in respect of the currency and period specified in the applicable Pricing Supplement:

(A) Euro interbank offered rate ("**EURIBOR**");

(D) Shanghai interbank offered rate ("**SHIBOR**");

(E) Hong Kong interbank offered rate ("**HIBOR**");

(F) Singapore interbank offered rate ("**SIBOR**");

(G) Kuala Lumpur interbank offered rate ("**KLIBOR**");

(H) Emirates interbank offered rate ("**EIBOR**");

(I) Saudi Arabia interbank offered rate ("**SAIBOR**");

(J) Bank Bill Swap Rate ("**BBSW**");

(K) Japanese Yen LIBOR ("**JPY LIBOR**");

(L) Prague interbank offered rate ("**PRIBOR**");

(M) CNH Hong Kong interbank offered rate ("**CNH HIBOR**");

(N) Turkish Lira interbank offered rate ("**TRLIBOR**" or "**TRYLIBOR**");

(O) Tokyo interbank offered rate ("**TIBOR**"); and

(P) Secured overnight financing rate ("**SOFR**").

Relevant Financial Centre shall mean (i) Brussels, in the case of a determination of EURIBOR; (ii) Tokyo, in the case of a determination of TIBOR; or (iii) Hong Kong, in the case of a determination of HIBOR or CNH HIBOR, as specified in the applicable Pricing Supplement, or such other financial centre as specified in the relevant Pricing Supplement; and

Relevant Time shall mean: (a) 11.00 a.m. (London time, in the case of a determination of JPY LIBOR, Brussels time, in the case of a determination of EURIBOR, Shanghai time, in the case of a determination of SHIBOR, Hong Kong time, in the case of a determination of HIBOR, Singapore time, in the case of a determination of SIBOR, Kuala Lumpur time, in the case of a determination of KLIBOR, Dubai time, in the case of a determination of EIBOR, Riyadh time, in the case of a determination of SAIBOR, Sydney time, in the case of a determination of BBSW, Prague time, in the case of a determination of PRIBOR, Istanbul time, in the case of a determination of TRLIBOR or TRYLIBOR, or Tokyo time, in the case of a determination of TIBOR); or (b) 11.15 a.m. Hong Kong time in the case of a determination of CNH HIBOR; or (c) Relevant Financial Centre time in the case of a determination of any other Reference Rate.

(iii) **Screen Rate Determination for Floating Rate Notes Referencing SOFR**:

Where Screen Rate Determination Referencing SOFR is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined and the Reference Rate specified in the applicable Pricing Supplement is SOFR:

(i) where the Calculation Method in respect of the relevant Series of Floating Rate Notes is specified in the applicable Pricing Supplement as being "Compounded Daily", the Rate of Interest for each Interest Period will, subject as provided below, be the Compounded Daily Reference Rate plus or minus (as indicated in the applicable Pricing Supplement) the Margin, all as determined by the Calculation Agent, where:

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

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

where:

Applicable Period means,

(a) where **Lag**, **Lock-out** or **Payment Delay** is specified as the Observation Method in the applicable Pricing Supplement, the relevant Interest Period; and

(b) where **Observation Shift** is specified as the Observation Method in the applicable Pricing Supplement, the Observation Period relating to such Interest Period;

Business Day or **BD**, in this Condition means a U.S. Government Securities Business Day;

D is the number specified in the relevant Pricing Supplement;

d means, for the relevant Applicable Period, the number of calendar days in such Applicable Period;

$\mathbf{d_O}$ means, for the relevant Applicable Period, the number of Business Days in such Applicable Period;

Effective Interest Payment Date means any date or dates specified as such in the applicable Pricing Supplement;

i means, for the relevant Applicable Period, a series of whole numbers from one to d_O, each representing the relevant Business Day in chronological order from, and including, the first Business Day in such Applicable Period;

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

$\mathbf{n_i}$, for any Business Day "i" in the Applicable Period, means the number of calendar days from and including such Business Day "i" up to but excluding the following Business Day;

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

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

p means, for any Interest Period:

(a) where "Lag" is specified as the Observation Method in the applicable Pricing Supplement, the number of Business Days included in the Observation Look-back Period specified in the applicable Pricing Supplement (or, if no such number is specified five Business Days);

(b) where "Lock-out" or "Payment Delay" is specified as the Observation Method in the applicable Pricing Supplement, zero; or

(c) where "Observation Shift" or "SOFR Index" is specified as the Observation Method in the applicable Pricing Supplement, the number of Business Days included in the Observation Look-back Period specified in the applicable Pricing Supplement (which shall not be less than five Business Days without the consent of the Calculation Agent);

r means:

(a) where in the applicable Pricing Supplement either "Lag" or "Observation Shift" is specified as the Observation Method, in respect of any Business Day, the SOFR rate in respect of such Business Day;

(b) where in the applicable Pricing Supplement "Lock-out" is specified as the Observation Method;

(i) in respect of any Business Day "i" that is a Reference Day, the SOFR in respect of the Business Day immediately preceding such Reference Day,

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

where in the applicable Pricing Supplement "Payment Delay" is specified as the Observation Method, in respect of any Business Day, the SOFR in respect of such Business Day, **provided however that**, in the case of the last Interest Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, "r" shall be the SOFR in respect of the Rate Cut-off Date:

Rate Cut-off Date has the meaning given in the applicable Pricing Supplement;

Reference Day means each Business Day in the relevant Interest Period, other than any Business Day in the Lock-out Period;

$r_{i\text{-}pBD}$ means the applicable Reference Rate as set out in the definition of "r" above for, (i) where "Lag" is specified as the Observation Method in the applicable Pricing Supplement, the Business Day (being a Business Day falling in the relevant Observation Period) falling "p" Business Days prior to the relevant Business Day "i" or, (ii) otherwise, the relevant Business Day "i";

SOFR means, in respect of any Business Day, a reference rate equal to the daily Secured Overnight Financing Rate as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the New York Fed's Website, in each case on or about 5:00 p.m. (New York City Time) on the Business Day immediately following such Business Day (the "**SOFR Determination Time**");

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

(iv) where the Calculation Method is specified in the applicable Pricing Supplement as being "Weighted Average", the Rate of Interest for each Interest Period will, subject to as provided below, be the Weighted Average Reference Rate (as defined below) plus or minus (as indicated in the applicable Pricing Supplement) the Margin and will be calculated by the Calculation Agent on the Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards, where:

Lock-out Period has the meaning set out in paragraph (i) above

Observation Period has the meaning set out in paragraph (i) above;

Reference Day has the meaning set out in paragraph (i) above;

Weighted Average Reference Rate means:

(A) where "Lag" is specified as the Observation Method in the applicable Pricing Supplement, the arithmetic mean of the Reference Rate in effect

for each calendar day during the relevant Observation Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Observation Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day; and

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

(v) where the Calculation Method in respect of the relevant Series of Floating Rate Notes is specified in the applicable Pricing Supplement as being "SOFR Index", the Rate of Interest for each Interest Period will, subject as provided below, be Compounded SOFR (as defined below) plus or minus (as indicated in the applicable Pricing Supplement) the Margin and will be calculated by the Calculation Agent on the Interest Determination Date and the resulting percentage will be rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards, where:

Compounded SOFR shall mean:

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

where "d_c" is the number of calendar days from (and including) SOFR $Index_{Start}$ to (but excluding) SOFR $Index_{End}$ (the number of calendar days in the relevant Observation Period);

SOFR Averages shall mean the computation bearing the same name as published on the New York Fed's Website;

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

(a) the SOFR Index value as published by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) as such index appears on the New York Fed's Website at 5.00 p.m. (New York City time) on such U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or

(b) if a SOFR Index value does not so appear as specified in (i) above at the SOFR Determination Time, then:

(i) if a Benchmark Event has not occurred, with respect to the then-current Benchmark, Compounded SOFR shall be the SOFR Index Unavailable value; or

(ii) if a Benchmark Event has occurred, with respect to the then-current Benchmark, Compounded SOFR shall be the rate determined pursuant to Condition 6.2(c) (*Floating Rate Note Provisions – Benchmark Replacement*);

SOFR IndexEnd is the SOFR Index value for the day which is "p" U.S. Government Securities Business Days preceding the Interest Payment Date relating to such Interest Period;

SOFR IndexStart is the SOFR Index value for the day which is "p" U.S. Government Securities Business Days preceding the first date of the relevant Interest Period;

SOFR Index Unavailable means if a SOFR IndexStart or SOFR IndexEnd is not published on the associated Interest Determination Date and a Benchmark Event has have not occurred, with respect to the then-current Benchmark, Compounded SOFR means, for the relevant Interest Period for which such 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 at https://www.newyorkfed.org/markets/treasury-repo-reference-ratesinformation;

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 does not so appear for any day, "i" in the Observation Period, SOFR 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;

(vi) if, in respect of any Business Day (as defined in paragraph (i) above), the Reference Rate is not available, subject to Condition 6.2(c) (*Floating Rate Note Provisions – Benchmark Replacement*), such Reference Rate shall be the SOFR (as defined in paragraph (i) above) for the first preceding Business Day on which the SOFR was published on the New York Fed's Website (as defined in paragraph (i) above) and "r" shall be interpreted accordingly;

(vii) in the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, but without prejudice to Condition 6.2(c) (*Floating Rate Note Provisions – Benchmark Replacement*), the Rate of Interest shall be that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period) or if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Period);

(viii) if the relevant Series of Notes become due and payable in accordance with Condition 8 (*Redemption and Purchase*) or Condition 11 (*Events of Default*), the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Pricing Supplement, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date; and

(ix) if "Payment Delay" is specified in the applicable Pricing Supplement as being applicable, all references in these Conditions to interest on the Notes being payable on an Interest Payment Date shall be read as references to interest on the Notes being payable on an Effective Interest Payment Date instead.

(c) **Benchmark Replacement**

Notwithstanding the other provisions of this Condition 6.2, if the Guarantor, following consultation with the Calculation Agent, determines that a Benchmark Event has occurred in relation to the relevant Reference Rate specified in the applicable Pricing Supplement when any Rate of Interest (or the relevant component part thereof) applicable to the Notes for any Interest Period remains to be determined by such Reference Rate, then the following provisions shall apply:

(i) the Guarantor shall use its reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine no later than five Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (the "**IA Determination Cut-Off Date**"), a Successor Rate or, alternatively, if there is no Successor Rate, an Alternative Reference Rate and, in either case, an Adjustment Spread for the purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Notes;

(ii) if (A) the Guarantor is unable to appoint an Independent Adviser; or (B) the Independent Adviser appointed by the Guarantor fails to determine a Successor Rate or, failing which, an Alternative Reference Rate and/or, in either case, an Adjustment Spread in accordance with this Condition 6.2(c) prior to the relevant IA Determination Cut-Off Date, then the original Reference Rate will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date, with the effect that the fallback provisions provided for in Condition 6.2(b) and the Agency Agreement will continue to apply to such determination. For the avoidance of doubt, this Condition 6.2(c)(ii) shall apply to the relevant immediately following Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of and to adjustment as provided in, this Condition 6.2(c);

(iii) if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with the preceding provisions, such Successor Rate or, failing which, Alternative Reference Rate (as applicable) shall be the Reference Rate for each of the future Interest Periods in respect of such Notes (subject to the subsequent operation of, and to adjustment as provided in, this Condition 6.2(c));

(iv) the Adjustment Spread (or the formula or methodology for determining the Adjustment Spread), shall be applied to the Successor Rate or the Alternative Reference Rate (as the case may be) **provided however, that** if the Independent Adviser (following consultation with the Guarantor), or the Issuer and the Guarantor (acting in good faith and in a commercially reasonable manner), fails to determine the Adjustment Spread in accordance with this Condition 6.2(c) prior to the relevant Interest Determination Date then the Successor Rate or Alternative Reference Rate as determined in accordance with this Condition 6.2(c) will apply without an Adjustment Spread;

(v) if any Successor Rate, Alternative Reference Rate or Adjustment Spread is determined in accordance with this Condition 6.2(c) and the Independent Adviser (following consultation with the Guarantor) or the Guarantor (acting in good faith and in a commercially reasonable manner), as applicable, determines: (A) that amendments to these Conditions (including, without limitation, amendments to the definitions of Day Count Fraction, Business Day, Business Day Convention, Interest Determination Date or Relevant Screen Page) are necessary to ensure the proper operation of such Successor Rate, Alternative Reference Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**"); and (B) the terms of the Benchmark Amendments, then, at the direction and expense of the Guarantor and subject to delivery of a notice in accordance with Condition 6.2(c)(vi): (x) the Guarantor shall vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice; and (y) the Agents shall (at the Guarantor's expense), without any requirement for the consent or

sanction of Noteholders, be obliged to concur with the Guarantor in effecting such Benchmark Amendments.

For the avoidance of doubt, no Agent shall be liable to the Noteholders or any other person for so acting or relying on such notice, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such Noteholder or person;

(vi) the Guarantor shall promptly, following the determination of any Successor Rate or Alternative Reference Rate (as applicable) and the specific terms of any Benchmark Amendments, give notice to the Agents and, in accordance with Condition 15, the Noteholders confirming: (A) that a Benchmark Event has occurred; (B) the Successor Rate or Alternative Reference Rate (as applicable); (C) any applicable Adjustment Spread; and (D) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 6.2(c); and

(vii) the Independent Adviser appointed pursuant to this Condition 6.2(c) shall act and make all determinations pursuant to this Condition 6.2(c) in good faith and the Independent Adviser shall act as an expert. In the absence of bad faith, wilful default or fraud, neither the Independent Adviser nor the Guarantor shall have any liability whatsoever to the Agents, the Noteholders or the Couponholders in connection with any determination made by it or, in the case of the Independent Adviser, for any advice given to the Guarantor in connection with any determination made by the Guarantor pursuant to this Condition 6.2(c).

For the purposes of this Condition 6.2(c):

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

(i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the relevant Reference Rate with the Successor Rate by any Relevant Nominating Body; or

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

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

(iv) (if the Independent Adviser (following consultation with the Guarantor) determines that there is no such industry standard) the Independent Adviser (following consultation with the Guarantor) or the Guarantor (as applicable) determines (acting in good faith and in a commercially reasonable manner) in their sole discretion to be appropriate;

Alternative Reference Rate means an alternative benchmark or screen rate which the Independent Adviser (following consultation with the Guarantor) determines, in accordance with this Condition 6.2(c) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes and of a comparable duration to the relevant Interest Period or, if the Independent Adviser or the Guarantor (as applicable) determines that there is no such rate, such other rate as the Independent Adviser or the Guarantor (as applicable) determines in their sole discretion is most comparable to the relevant Reference Rate;

Benchmark Event means: (i) the relevant Reference Rate ceasing to be published as a result of such benchmark ceasing to be calculated or administered or ceasing to exist for at least five Business Days; or (ii) a public statement by the administrator of the relevant Reference Rate that it has ceased or that it will, by a specified future date, cease publishing the relevant Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the relevant Reference Rate); or (iii) a public statement by the supervisor of the administrator of the relevant Reference Rate, that the relevant Reference Rate has been or will, by a specified future date, be permanently or indefinitely discontinued; or (iv) a public statement by the supervisor of the administrator of the relevant Reference Rate as a consequence of which, by a specified future date, the relevant Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or (v) it has become unlawful for the Guarantor, the Calculation Agent or any Paying Agent to calculate any payments due to be made to any Noteholder using the relevant Reference Rate; or (vi) a public statement or the publication of information by the supervisor of the administrator of the relevant Reference Rate announcing that the relevant Reference Rate is no longer representative of an underlying market, **provided that**, in the case of (ii), (iii) and (iv) above, the Benchmark Event shall occur on the date of the cessation of publication of the relevant Reference Rate, the discontinuation of the relevant Reference Rate, or the prohibition of use of the relevant Reference Rate, as the case may be, and not the date of the relevant public statement;

Financial Stability Board means the organisation established by the Group of Twenty (G20) in April 2009;

Independent Adviser means an independent financial institution of international repute or an independent adviser with appropriate expertise appointed by the Guarantor at the Guarantor's expense;

Relevant Nominating Body means, in respect of a Reference Rate: (i) the central guarantor for the currency to which the Reference Rate relates, or any central guarantor or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of: (A) the central guarantor for the currency to which the Reference Rate relates; (B) any central guarantor or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; (C) a group of the aforementioned central guarantor or other supervisory authorities; or (D) the Financial Stability Board or any part thereof; and

Successor Rate means the rate that the Independent Adviser (in consultation with the Guarantor) or the Guarantor, as applicable, determines is a successor to or replacement of the relevant Reference Rate which is formally recommended by any Relevant Nominating Body.

(d) **Minimum Rate of Interest and/or Maximum Rate of Interest**

If the applicable Pricing Supplement specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Pricing Supplement specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(e) **Determination of Rate of Interest and calculation of Interest Amounts**

The Issuing and Principal Paying Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Issuing and Principal Paying Agent will calculate the amount of interest (the "**Interest Amount**") payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

(A) in the case of Floating Rate Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding principal amount of (A) the Notes represented by such Global Note; or (B) such Registered Notes;

(B) in the case of Floating Rate Notes which are Bearer Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note which is a Bearer Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

Day Count Fraction means, in respect of the calculation of an amount of interest in accordance with this Condition 6.2:

(i) if "Actual/Actual (ISDA)" or "Actual/Actual" is specified in the applicable 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 (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) 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 applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365;

(iii) if "Actual/365 (Sterling)" is specified in the applicable Pricing Supplement, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

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

(v) if "30/360", "360/360" or "Bond Basis" is specified in the applicable 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 Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

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

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

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

(vi) if "30E/360" or "Eurobond Basis" is specified in the applicable 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 Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

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

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

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

(vii) if "30E/360 (ISDA)" is specified in the applicable 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 Interest Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

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

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

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

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

(f) **Linear Interpolation**

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Issuing and Principal Paying Agent or the Calculation Agent, as applicable by straight line linear interpolation by reference to two rates based on the relevant Reference Rate, one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period **provided however that** if there is no rate

available for a period of time next shorter or, as the case may be, next longer, then the Issuing and Principal Paying Agent or the Calculation Agent, as applicable, shall determine such rate at such time and by reference to such sources as it determines appropriate.

Designated Maturity means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate; and (b) in relation to ISDA Determination, the Designated Maturity.

(g) **Notification of Rate of Interest and Interest Amounts**

The Issuing and Principal Paying Agent or the Calculation Agent, as applicable, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 15. For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(h) **Certificates to be final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6.2, by the Issuing and Principal Paying Agent or the Calculation Agent, as applicable, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor, the Issuing and Principal Paying Agent, the other Agents and all Noteholders and Couponholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Issuer, the Guarantor, the Noteholders or the Couponholders shall attach to the Issuing and Principal Paying Agent or, if applicable, the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

6.3 **Accrual of interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(a) the date on which all amounts due in respect of such Note have been paid; and

(b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Issuing and Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15.

7. **PAYMENTS**

7.1 **Method of payment**

Subject as provided below:

(a) payments in a Specified Currency other than euro and Renminbi will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively);

(b) payments 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; and

(c) payments in Renminbi will be made by transfer to a Renminbi account maintained by or on behalf of the payee with a bank in the applicable RMB Settlement Centre(s).

Payments in respect of principal and interest on the Notes are subject in all cases to (i) any fiscal or other laws and regulations applicable in the place of payment, or other laws to which the Issuer or its Agents are subject, but without prejudice to the provisions of Condition 9 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

7.2 **Presentation of definitive Bearer Notes and Coupons**

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 7.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 9) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 10) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose principal amount on issue is less than the aggregate interest payable thereon **provided that** such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the principal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

7.3 **Payments in respect of Bearer Global Notes**

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note against

presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made against presentation or surrender of any Global Note in bearer form, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented and such record shall be *prima facie* evidence that the payment in question has been made.

7.4 **Payments in respect of Registered Notes**

Payments of principal in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the "**Register**"): (i) where in global form, at the close of the business day before the relevant due date (business day being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business); and (ii) where in definitive form, at the close of business on the fifth (in the case of Renminbi) and the third (in the case of a currency other than Renminbi) business day before the relevant due date (business day being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the principal amount of the Notes held by a holder is less than U.S.$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, "**Designated Account**" means the account (which, in the case of a payment in Renminbi, means the Renminbi account) maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means (in the case of payment in a Specified Currency other than euro and Renminbi) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro and (in the case of a payment in Renminbi) a bank in the applicable RMB Settlement Centre(s).

Payments of interest in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register: (i) where in global form, at the close of the business day before the relevant due date (business day being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business); and (ii) where in definitive form, at the close of business on the fifth day (in the case of Renminbi) and at the close of business on the fifteenth day (in the case of a currency other than Renminbi) (whether or not such fifth day (in the case of Renminbi) or fifteenth day (in the case of a currency other than Renminbi) is a business day), before the relevant due date (the "**Record Date**") at their address shown in the Register on the Record Date and at their risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

None of the Issuer, the Guarantor or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

7.5 **General provisions applicable to payments**

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer's or, as the case may be, the Guarantor's payment obligations hereunder will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular principal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for their share of each payment so made by the Issuer or, as the case may be, the Guarantor to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

(a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents 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 Bearer Notes 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 and the Guarantor, adverse tax consequences to the Issuer or the Guarantor.

7.6 **Payment Day**

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 9) is:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(i) in the case of Notes in definitive form only, the relevant place of presentation; and

(ii) each Additional Financial Centre (other than the T2) specified in the applicable Pricing Supplement;

(b) if the T2 is specified as an Additional Financial Centre in the applicable Pricing Supplement, a day on which the T2 is open; and

(c) either (A) in relation to any sum payable in a Specified Currency other than euro and Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (B) in relation to any sum payable in euro, a day on which the T2 is open or (C) in relation to any sum payable in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and

foreign exchange markets in the applicable RMB Settlement Centre(s) are generally open for business and settlement of Renminbi payments in the applicable RMB Settlement Centre(s).

7.7 **RMB Currency Event**

If "RMB Currency Event" is specified as being applicable in the applicable Pricing Supplement and a RMB Currency Event exists on a date for payment of any amount in respect of any Note or Coupon, the Issuer's obligation to make a payment in RMB under the terms of the Notes may be replaced by an obligation to pay such amount in the Relevant Currency specified in the applicable Pricing Supplement converted using the Spot Rate for the relevant Rate Calculation Date.

Upon the occurrence of a RMB Currency Event, the Issuer shall give irrevocable notice as soon as practicable and not less than five days prior to the due date for payment to the Noteholders in accordance with Condition 15 stating the occurrence of the RMB Currency Event, giving details thereof and the action proposed to be taken in relation thereto.

For the purpose of these Conditions:

Governmental Authority means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of the applicable RMB Settlement Centre(s);

HKMA means the Hong Kong Monetary Authority;

Rate Calculation Business Day means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in the applicable RMB Settlement Centre(s), London and the principal financial centre of the country of the Relevant Currency;

Rate Calculation Date means the day which is two Rate Calculation Business Days before the due date of the relevant payment under the Notes;

Renminbi or **RMB** means the lawful currency for the time being of the People's Republic of China (the **PRC**), which, for these purposes, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;

RMB Currency Events means any one of RMB Illiquidity, RMB Non-Transferability and RMB Inconvertibility;

RMB Illiquidity means the general RMB exchange market in the applicable RMB Settlement Centre(s) becomes illiquid as a result of which the Issuer cannot obtain sufficient RMB in order to make any payment (in whole or in part) due under the Notes, as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two independent foreign exchange dealers of international repute active in the RMB exchange market in the applicable RMB Settlement Centre(s);

RMB Inconvertibility means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the Notes into RMB in the general RMB exchange market in the applicable RMB Settlement Centre(s), other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant Series and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

RMB Non-Transferability means the occurrence of any event that makes it impossible for the Issuer to deliver RMB between accounts inside the applicable RMB Settlement Centre(s) or from an account inside the applicable RMB Settlement Centre(s) to an account outside the applicable RMB Settlement Centre(s) (including where the RMB clearing and settlement system for participating banks in the applicable RMB Settlement Centre(s) is disrupted or suspended), other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule

or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date of the first Tranche of the relevant Series and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

RMB Settlement Centre(s) means the financial centre(s) specified as such in the applicable Pricing Supplement in accordance with applicable laws and regulations. If no RMB Settlement Centre is specified in the applicable Pricing Supplement, the RMB Settlement Centre shall be deemed to be Hong Kong; and

Spot Rate means the spot RMB/Relevant Currency exchange rate for the purchase of the Relevant Currency with RMB in the over-the-counter Renminbi exchange market in the applicable RMB Settlement Centre(s) for settlement in two Rate Calculation Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (local time in the applicable RMB Currency Centre(s)) on the Rate Calculation Date, on a deliverable basis by reference to the Relevant Spot Rate Screen Page (Deliverable Basis), or if no such rate is available, on a non-deliverable basis by reference to the Relevant Spot Rate Screen Page (Non-deliverable Basis), each as specified in the applicable Pricing Supplement. If neither rate is available, the Calculation Agent shall determine the spot rate taking into consideration all available information which the Calculation Agent deems relevant, including pricing information obtained from the Renminbi non-deliverable exchange market in the applicable RMB Settlement Centre(s) or elsewhere and the RMB/Relevant Currency exchange rate in the PRC domestic foreign exchange market.

7.8 **RMB account**

Notwithstanding the foregoing, all payments in respect of any Note in Renminbi will be made solely by credit to a Renminbi account maintained by the payee at a bank in the applicable RMB Settlement Centre(s) in accordance with applicable laws, rules, regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to the settlement of Renminbi in the applicable RMB Settlement Centre(s)).

7.9 **Interpretation of principal and interest**

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(a) any additional amounts which may be payable with respect to principal under Condition 9;

(b) the Final Redemption Amount of the Notes;

(c) the Early Redemption Amount of the Notes;

(d) the Optional Redemption Amount(s) (if any) of the Notes; and

(e) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 9.

8. REDEMPTION AND PURCHASE

8.1 **Redemption at maturity**

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount and in the relevant Specified Currency on the Maturity Date in each case as specified in the applicable Pricing Supplement.

8.2 **Redemption for tax reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Pricing Supplement to the Issuing and Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), if:

(a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 9) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and

(b) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Issuing and Principal Paying Agent to make available at its specified office to the Noteholders (i) a certificate signed by two Directors of the Issuer or, as the case may be, two Directors of the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 8.2 will be redeemed at their Early Redemption Amount referred to in Condition 8.5 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

8.3 **Redemption at the option of the Issuer (Issuer Call)**

If Issuer Call is specified as being applicable in the applicable Pricing Supplement, the Issuer may, having given:

(a) not less than the minimum period nor more than the maximum period of notice specified in the applicable Pricing Supplement to the Noteholders in accordance with Condition 15; and

(b) not less than the minimum period nor more than the maximum period of the notice referred to in (a) above, notice to the Issuing and Principal Paying Agent and, in the case of a redemption of Registered Notes, the Registrar;

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, the applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a principal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Pricing Supplement. In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection**

Date"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 15 not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this Condition 8.3 and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 15 at least five days prior to the Selection Date.

8.4 **Redemption at the option of the Noteholders (Investor Put)**

If Investor Put is specified as being applicable in the applicable Pricing Supplement, upon the holder of any Note giving to the Issuer in accordance with Condition 15 not less than the minimum period nor more than the maximum period of notice specified in the applicable Pricing Supplement the Issuer will, upon the expiry of such notice, specified in the applicable Pricing Supplement, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Registered Notes may be redeemed under this Condition 8.4 in any multiple of their lowest Specified Denomination.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a "**Put Notice**") and in which the holder must specify a bank account to which payment is to be made under this Condition and, in the case of Registered Notes, the principal amount thereof to be redeemed and, if less than the full principal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with Condition 3.2, in each case accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Issuing and Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on their instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Issuing and Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Issuing and Principal Paying Agent for notation accordingly.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg by a holder of any Note pursuant to this Condition 8.4 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 8.4 and instead to declare such Note forthwith due and payable pursuant to Condition 11.

8.5 **Early Redemption Amounts**

For the purpose of Condition 8.2 above and Condition 11, each Note (other than a Zero Coupon Note) will be redeemed at its **Early Redemption Amount** calculated as follows:

(a) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;

(b) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Note is denominated, at the amount specified in the

applicable Pricing Supplement or, if no such amount or manner is so specified in the applicable Pricing Supplement, at its nominal amount; or

(c) each Zero Coupon Note, will be redeemed at its Early Redemption Amount calculated in accordance with the following formula:

Early Redemption Amount = RP x $(1 + AY)^y$ where:

RP means the Reference Price;

AY means the Accrual Yield expressed as a decimal; and

y is the Day Count Fraction specified in the applicable Pricing Supplement which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

8.6 **Purchases**

The Issuer, the Guarantor or any Subsidiary of the Guarantor may at any time purchase Notes (**provided that**, in the case of definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer or the Guarantor, surrendered to any Paying Agent for cancellation.

8.7 **Cancellation**

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 8.6 above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Issuing and Principal Paying Agent and cannot be reissued or resold.

8.8 **Late payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 8.1, 8.2, 8.3 or 8.4 above or upon its becoming due and repayable as provided in Condition 11 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 8.5(c) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

(a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and

(b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Issuing and Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 15.

9. **TAXATION**

All payments of principal and interest in respect of the Notes and Coupons by or on behalf of the Issuer or the Guarantor will be made without withholding, retention or deduction for or on account of any present or future taxes or duties of whatever nature ("**Taxes**") imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding, retention or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding, retention or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding, retention or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

(a) the holder of which is liable for such Taxes in respect of such Note or Coupon by reason of the holder having some connection with a Tax Jurisdiction other than the mere holding of such Note or Coupon; or

(b) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 7.6).

As used herein:

(i) **Tax Jurisdiction** means the United Arab Emirates (including the Dubai International Financial Centre) or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Issuer), or Kuwait or any political subdivision or any authority thereof or therein having power to tax (in the case of payments by the Guarantor) or in either case any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which payments made by the Issuer or the Guarantor, as the case may be, of principal or interest on, or in respect of, the Notes or Coupons become generally subject to tax; and

(ii) the **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 Issuing and Principal Paying Agent on or prior to such 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 Noteholders in accordance with Condition 15.

Notwithstanding any other provision of these Conditions, in no event will the Issuer or Guarantor be required to pay any additional amounts in respect of the Notes for, or on account of, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, or any official interpretations thereof.

10. **PRESCRIPTION**

The Notes and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 9) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 7.2 or any Talon which would be void pursuant to Condition 7.2.

11. **EVENTS OF DEFAULT**

If any one or more of the following events (each an "**Event of Default**") shall occur and be continuing:

(a) default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of seven days in the case of principal and 14 days in the case of interest; or

(b) the Issuer fails to perform or observe any of its other obligations under the Conditions or the Guarantor fails to perform or observe any of its other obligations under the Deed of Guarantee and (except in any case where the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by a Noteholder on the Issuer or the Guarantor (as the case may be) of written notice requiring the same to be remedied; or

(c) (i) any Indebtedness of the Issuer, the Guarantor or any of its Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period, (ii) any such Indebtedness becomes due and payable prior to its stated maturity by reason of default (however described) or (iii) the Issuer, the Guarantor or any of its Subsidiaries fails to pay when due or (as the case may be) within any originally applicable grace period any amount payable by it under any Guarantee of any Indebtedness, **provided that** each such event shall not constitute an Event of Default unless the aggregate amount of all such Indebtedness, either alone or when aggregated with all other Indebtedness in respect of which such an event shall have occurred and be continuing, shall be more than U.S.$30,000,000 (or its equivalent in any other currency or currencies); or

(d) one or more judgments or orders for the payment of any sum in excess of U.S.$30,000,000 is rendered against the Issuer, the Guarantor or any of its Material Subsidiaries and continues unsatisfied, unstayed and unappealed (or, if appealed, the appeal is unsuccessful and thereafter the judgment continues unsatisfied and unstayed for a period of 30 days) for a period of 30 days after the date thereof; or

(e) any order is made by any competent court or resolution passed for the winding up or dissolution of the Issuer, the Guarantor or any Material Subsidiary; or

(f) the Issuer, the Guarantor or any Material Subsidiary ceases or threatens to cease to carry on the whole or substantially all of its business, or the Issuer, the Guarantor or any Material Subsidiary stops or threatens to stop payment of, or is unable to, or admits its inability to, pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or

(g) (i) court or other formal proceedings are initiated against the Issuer, the Guarantor or any Material Subsidiary under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer, the Guarantor or any Material Subsidiary or, as the case may be, in relation to the whole or substantially all of the undertaking or assets of any of them, or an encumbrancer takes possession of the whole or substantially all of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or substantially all of the undertaking or assets of any of them and (ii) in any case (other than the appointment of an administrator) is not discharged within 30 days; or

(h) the Issuer, the Guarantor or any Material Subsidiary initiates or consents to corporate action or other steps or judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, nationalisation, dissolution, administration, reorganisation (whether by way of voluntary arrangement, scheme of arrangement or

otherwise) or other similar laws (including the obtaining of a moratorium) or takes any corporate action or other steps for the appointment of a liquidator, receiver, administrator, administrative receiver, conservator, custodian, trustee or similar officer of it or of substantially all or all of its revenues and assets or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or

(i) any event occurs which under the laws of the Dubai International Financial Centre, the United Arab Emirates or any Emirate therein, Kuwait or any other jurisdiction has an analogous effect to any of the events referred to in paragraphs (e) to (h) above; or

(j) if the Issuer ceases to be a subsidiary wholly owned and controlled, directly or indirectly, by the Guarantor; or

(k) at any time it is or becomes unlawful for the Issuer to perform or comply with any or all of its obligations under or in respect of the Notes or it is or becomes unlawful for the Guarantor to perform or comply with any of its obligations under or in respect of the Deed of Guarantee or any of the obligations of the Issuer or the Guarantor thereunder are not or cease to be legal, valid, binding or enforceable; or

(l) by or under the authority of any government, (i) the management of the Issuer or the Guarantor or any of its Material Subsidiaries is wholly or substantially displaced or the authority of the Issuer or the Guarantor or any of its Material Subsidiaries in the conduct of its business is wholly or substantially curtailed or (ii) all or a majority of the issued share capital of the Issuer or the Guarantor or any of its Material Subsidiaries or the whole or substantially all of its revenues or assets are seized, nationalised, expropriated or compulsorily acquired;

then any holder of a Note may, by written notice to the Issuer or the Guarantor at the specified office of the Issuing and Principal Paying Agent, effective upon the date of receipt thereof by the Issuing and Principal Paying Agent, declare any Note held by it to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Early Redemption Amount, together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

For the purposes of these Conditions:

(i) **Auditors** means a firm of independent auditors of good repute appointed by the Guarantor.

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

  (a) any obligation to purchase such Indebtedness;

  (b) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;

  (c) any indemnity against the consequences of a default in the payment of such Indebtedness; and

  (d) any other agreement to be responsible for such Indebtedness;

(iii) **Indebtedness** means any indebtedness of any Person for money borrowed or raised including (without limitation) deposits and any indebtedness for or in respect of:

  (a) amounts raised by acceptance under any acceptance credit facility;

  (b) amounts raised under any note purchase facility;

(c) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;

(d) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days; and

(e) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

(iv) a **Material Subsidiary** is a Subsidiary of the Guarantor the gross assets of which exceed 7.5 per cent. of the consolidated gross assets of the Guarantor and its Subsidiaries, taken as a whole, or the revenues of which exceed 7.5 per cent. of the consolidated revenues of the Guarantor and its Subsidiaries, taken as a whole, or to which is transferred all or substantially all of the assets and undertakings of a Subsidiary which immediately prior to such transfer is a Material Subsidiary and, for these purposes:

(A) the gross assets and the revenues of each Subsidiary which is, or might be, a Material Subsidiary shall be determined by reference to its then most recently audited annual financial statements (consolidated if the same are prepared) or, if none, its then most recent annual management accounts; and

(B) the consolidated gross assets and the consolidated revenues of the Guarantor and its Subsidiaries, taken as a whole, shall be determined by reference to the Guarantor's then most recently audited consolidated annual financial statements;

in each case adjusted, as the Auditors may consider appropriate, to take account of any changes in circumstances since the date as of which such financial statements (or management accounts) were prepared. A report of the Auditors that in their opinion a Subsidiary of the Guarantor is or is not or was or was not at any particular time or through any particular period a Material Subsidiary shall (in the absence of manifest or proven error) be conclusive and binding on the parties; and

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

12. REPLACEMENT OF NOTES, COUPONS AND TALONS

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Issuing and Principal Paying Agent (in the case of Bearer Notes or Coupons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

13. AGENTS

The names of the initial Agents and their initial specified offices are set out below. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Pricing Supplement.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, **provided that**:

(a) there will at all times be an Issuing and Principal Paying Agent and, in the case of Registered Notes, a Registrar and a Transfer Agent; and

(b) so long as the Notes are listed on any stock exchange or admitted to trading by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes)

and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 7.5. Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 15.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and the Guarantor and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

14. EXCHANGE OF TALONS

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 Issuing and Principal Paying 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 Note to which it appertains) a further Talon, subject to the provisions of Condition 10.

15. NOTICES

All notices regarding the Bearer Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in the Republic of Ireland (which is expected to be the Irish Times) or published on the website of the of the London Stock Exchange at (http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html) or, if in either case such publication is not practicable, in a leading English Language newspaper having general circulation in Europe. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes are for the time being listed or by which they have been admitted to trading including publication on the website of the relevant stock exchange or relevant authority if required by those rules. 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 required newspapers.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) or such websites or such mailing the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a manner which complies with those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Issuing and

Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Issuing and Principal Paying Agent or Registrar through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Issuing and Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

16. **Currency Indemnity**

If, under any applicable law and whether pursuant to a judgment being made or registered against the Issuer and/or the Guarantor or in the liquidation, insolvency or any similar process of the Issuer and/or the Guarantor or for any other reason, any payment under or in connection with the Notes or the Coupons is made or falls to be satisfied in a currency (the "**other currency**") other than the Specified Currency, then, to the extent that the payment (when converted into the Specified Currency at the rate of exchange on the date of payment or, if it is not practicable for the relevant recipient to purchase the Specified Currency with the other currency on the date of payment, at the rate of exchange as soon thereafter as it is practicable for it to do so or, in the case of a liquidation, insolvency or analogous process, at the rate of exchange on the latest date permitted by applicable law for the determination of liabilities in such liquidation, insolvency or analogous process) actually received by the relevant recipient falls short of the amount due under these Conditions, the Issuer and the Guarantor jointly and severally undertake that they shall, as a separate and independent obligation, indemnify and hold harmless the recipient against the amount of the shortfall. For the purpose of this Condition, **rate of exchange** means the rate at which the relevant recipient is able on the London foreign exchange market on the relevant date to purchase the Specified Currency with the other currency and shall take into account any premium and other reasonable costs of exchange.

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

The Agency Agreement contains provisions for convening meetings (including by way of conference call or by use of a videoconference platform) of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Agency Agreement or the Deed of Guarantee. Such a meeting may be convened by the Issuer or the Guarantor and shall be convened by the Issuer if required in writing by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons present and holding or representing not less than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons present whatever the principal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Agency Agreement (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes), the quorum shall be one or more persons present and holding or representing not less than two thirds in principal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons present and holding or representing not less than one-third in principal amount of the Notes for the time being outstanding. An Extraordinary Resolution duly passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting at which such resolution was passed and whether or not voting, and on all Couponholders.

The Issuing and Principal Paying Agent, the Issuer and the Guarantor may agree, without the consent of the Noteholders or Couponholders, to:

(a) any modification (except such modifications in respect of which an increased quorum is required as mentioned above) of the Notes, the Coupons or the Agency Agreement which is not, as determined solely by the Issuer and the Guarantor, prejudicial to the interests of the Noteholders and the Couponholders; or

(b) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 as soon as practicable thereafter.

In addition, pursuant to Condition 6.2(c), certain changes may be made to the interest calculation provisions of the Notes without the consent of the Noteholders.

The Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Agency Agreement by a majority consisting of not less than 75 per cent. of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consent through the relevant clearing system(s) (in a form satisfactory to the Issuing and Principal Paying Agent) by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether or not they are present at any meeting and whether or not they voted on the resolution, and on all Receiptholders and Couponholders. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

18. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

19. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

20. GOVERNING LAW AND SUBMISSION TO JURISDICTION

20.1 Governing law

The Agency Agreement, the Deed of Guarantee, the Deed of Covenant, these Conditions (including the remaining provisions of this Condition 20), the Notes, the Coupons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

20.2 Arbitration

Any dispute, claim, difference or controversy arising out of, relating to or having any connection with the Notes, the Coupons and/or the Talons, these Conditions, the Agency Agreement, the Deed of Covenant or the Deed of Guarantee (including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of the nullity of any of them and any dispute relating to any non-contractual obligations arising out of or in connection with them) (a "**Dispute**") shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules of the London Court of International Arbitration (the "**LCIA**") (the "**Rules**"), which Rules (as amended from time to time) are incorporated by reference into this Condition 20.2.

For these purposes:

(a) the seat of arbitration shall be London, England;

(b) there shall be three arbitrators each of whom shall be disinterested in the arbitration, shall have no connection with any party to the Dispute and shall be an attorney experienced in international securities transactions. The parties to the Dispute shall each nominate one arbitrator and both arbitrators in turn shall appoint a further arbitrator who shall be the chairman of the tribunal. In cases where there are multiple claimants and/or multiple respondents, the class of claimants jointly, and the class of respondents jointly shall each nominate one arbitrator. If one party or both fails to nominate an arbitrator within the time limits specified by the Rules, such arbitrator(s) shall be appointed by the LCIA. If the party-nominated arbitrators fail to nominate the third arbitrator within 15 days of the appointment of the second arbitrator, such arbitrator shall be appointed by the LCIA; and

(c) the language of the arbitration shall be English.

20.3 **Appointment of Process Agent**

Each of the Issuer and the Guarantor irrevocably appoints Maples and Calder at its registered office at 6th Floor, DUO, 280 Bishopsgate, London EC2M 4RB, England, United Kingdom as its authorised agent for service of process in England. If for any reason such agent shall be unable or unwilling to act as agent for service of process, the Issuer and the Guarantor shall forthwith appoint a new agent for service of process in England and shall notify the Noteholders and Couponholders of such appointment. The Issuer and the Guarantor will procure that, so long as any of the Notes remains outstanding, a person with an office in London shall be appointed to accept service. The Issuer and the Guarantor each agree that failure by a process agent to notify it of any process will not invalidate service. Nothing in this Condition 20 shall affect the right to serve process in any other manner permitted by law.

20.4 **Waiver of immunity**

To the extent that the Issuer or the Guarantor may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or the Guarantor or its assets or revenues, each of the Issuer and the Guarantor agrees not to claim and irrevocably and unconditionally waives such immunity to the fullest extent permitted by the laws or such jurisdiction. Further, each of the Issuer and the Guarantor irrevocably and unconditionally consents to the giving of any relief or the issue of any legal proceedings, including, without limitation, jurisdiction, enforcement, prejudgment proceedings and injunctions in connection with any Proceedings or Disputes.

20.5 **Other documents**

Each of the Issuer and the Guarantor, where applicable, has appointed an agent in England for service of process, in terms substantially similar to those set out above.

21. **CORPORATE OBLIGATIONS**

Each Noteholder acknowledges and agrees that notwithstanding any other provision contained herein, the obligations of the Issuer under the Conditions and the Notes are corporate or limited liability obligations of the Issuer and, no Noteholder shall have any recourse against any of the directors, officers, employees or corporate services providers of the Issuer (the "**Limited Parties**") (nor shall any of the Limited Parties be personally liable for any claims, losses, damages, liabilities, indemnities, representations or other obligations whatsoever of the Issuer), under or in connection with the Notes or the Conditions, save in the case of the wilful default or actual fraud of such Limited Party. Reference herein to wilful default or actual fraud means a finding to such effect by a court of competent jurisdiction in relation to the conduct of the relevant Limited Party.

FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons attached, or registered form, without interest coupons attached. Notes will be issued outside the United States in reliance on Regulation S under the Securities Act ("**Regulation S**").

Bearer Notes

Each Tranche of Bearer Notes will be initially issued in the form of a temporary bearer global note (a "**Temporary Bearer Global Note**") or a permanent bearer global note (a "**Permanent Bearer Global Note**") in each case, as so specified in the applicable Pricing Supplement which, in either case, will be delivered on or prior to the original issue date of the Tranche to a common depositary (the "**Common Depositary**") for Euroclear and Clearstream, Luxembourg. Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made against presentation and, at maturity, surrender of the Temporary Bearer Global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Issuing and Principal Paying Agent.

On and after the date (the "**Exchange Date**") which is 40 days after a Temporary Bearer Global Note is issued, such Temporary Bearer Global Note will be exchangeable in whole or in part (free of charge) upon a request as described therein either for (a) a Permanent Bearer Global Note of the same Series or (b) for security printed definitive Bearer Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Pricing Supplement), in each case against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg against presentation or surrender (as the case may be) of the Permanent Bearer Global Note without any requirement for certification.

The applicable Pricing Supplement will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, interest coupons and talons attached upon the occurrence of an Exchange Event, as specified in the applicable Pricing Supplement. For these purposes, "**Exchange Event**" means that (i) an Event of Default (as defined in Condition 11) has occurred and is continuing or (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg or the common depositary on their behalf (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Issuing and Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Issuing and Principal Paying Agent.

The following legend will appear on all Permanent Bearer Global Notes and definitive Bearer Notes where TEFRA D is specified in the applicable Pricing Supplement and which have an initial maturity of more than 365 days and on all interest coupons relating to such Bearer Notes:

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

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes or interest coupons.

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Registered Notes

Each Tranche of Registered Notes will initially be represented by a global note in registered form (a "**Registered Global Note**"). Registered Global Notes will be deposited with a common depositary for, and registered in the name of a nominee for such common depositary of, Euroclear and Clearstream, Luxembourg. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest and any other amount in respect of the Registered Notes will be made to the person shown on the Register (as defined in Condition 7.4) as the registered holder of the Registered Notes in the manner set out in Condition 7.4. None of the Issuer or the Agents will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes only upon the occurrence of an Exchange Event. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg or any person acting on their behalf (in each case, acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

General

Pursuant to the Agency Agreement, the Issuing and Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which shall not be prior to the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer, the Guarantor and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement.

Electronic Consent and Written Resolution

While any Temporary Bearer Global Note or Permanent Bearer Global Note is held on behalf of, or any Registered Global Note is registered in the name of any nominee for, a clearing system, then:

(i) approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Notes outstanding (an Electronic Consent as defined in the Agency Agreement) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the special quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders and holders of Coupons and Talons whether or not they participated in such Electronic Consent; and

(ii) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Agency Agreement) has been validly passed, the Issuer shall be entitled to rely on consents or instructions given in writing directly to the Issuer by accountholders in the clearing system with entitlements to such Global Note or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and **provided that**, in each case, the Issuer obtained commercially reasonable evidence to ascertain the validity of such holding and has taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting of such amendment. Any resolution passed in such manner shall be binding on all Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, "**commercially reasonable evidence**" includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Notes. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Creation Online system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 11. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then from 8.00 p.m. (London time) on such day holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, (a) will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg on and subject to the terms of a deed of covenant (the "**Deed of Covenant**") dated 3 October 2025 and executed by the Issuer, and (b) will have no further rights under such Global Note (but without prejudice to the rights which such holders or any other person may have under the Deed of Covenant).

APPLICABLE PRICING SUPPLEMENT

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

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

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.][2]

[MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")][MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**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 Notes has led to the conclusion that: (i) the target market for the Notes 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 by virtue of the [European Union (Withdrawal) Act 2018] [("**EUWA**")] ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to

---

[1] Legend to be included on the front of the Pricing Supplement if the Notes potentially constitute "packaged" products and no key information document will be prepared or the Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

[2] Legend to be included on the front of the Pricing Supplement if the Notes potentially constitute "packaged" products and no key information document will be prepared or the Issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be "Applicable".

eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore** (the "**SFA**") - [*Notice to be included if classification of the Notes is not "prescribed capital markets products", pursuant to Section 309B of the SFA*.]]

[*Date*]

BURGAN SENIOR SPC LIMITED

Legal entity identifier (LEI): 558600G8B5ZWQJ91NK28

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

unconditionally and irrevocably guaranteed by Burgan Bank K.P.S.C.

under the U.S.$1,500,000,000

Euro Medium Term Note Programme

PART A — CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base offering circular dated 3 October 2025 [and the supplement[s] to it dated [*date*] [and [*date*]] which [together] constitute[s] a base offering circular (the "**Base Offering Circular**"). This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Base Offering Circular, in order to obtain all the relevant information. The Base Offering Circular [and this Pricing Supplement] is available for viewing on the website of the London Stock Exchange at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html and during normal business hours at the registered office of the Issuer (Office 1407, 14th Floor, Burj Daman, Dubai International Financial Centre, P.O. Box 506734, Dubai, United Arab Emirates), the registered office of the Guarantor (P.O. Box 5389, Safat 12170, Kuwait) and copies may be obtained from the specified office of the Issuing and Principal Paying Agent (8 Canada Square, London, E14 5HQ).]

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base offering circular dated 3 October 2025 and the supplement to it dated • which are incorporated by reference in the base offering circular dated 3 October 2025. This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the base offering circular dated 3 October 2025 [and the supplement[s] to it dated [*date*] [and [*date*]] which [together] constitute[s] a base offering circular (the "**Base Offering Circular**"), including the Conditions incorporated by reference in the Base Offering Circular], in order to obtain all the relevant information. The Base Offering Circular is available for viewing on the website of the London Stock Exchange at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html and during normal business hours at the registered office of the Issuer (Office 1407, 14th Floor, Burj Daman, Dubai International Financial Centre, P.O. Box 506734, Dubai, United Arab Emirates), the registered office of the Guarantor (P.O. Box 5389, Safat 12170, Kuwait) and copies may be obtained from the specified office of the Issuing and Principal Paying Agent (8 Canada Square, London, E14 5HQ).]

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement*.]

1.	Issuer:	Burgan Senior SPC Limited
2.	Guarantor:	Burgan Bank K.P.S.C.

3.	(i)	Series Number:	[ ]
	(ii)	Tranche Number:	[ ]
	(iii)	Date on which the Notes will be consolidated and form a single Series:	[The Notes will be consolidated and form a single Series with [*identify earlier Tranches*] on [the Issue Date]/[the date that is 40 days after the Issue Date]/[exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph 22 below, which is expected to occur on or about [*date*]]][Not Applicable]
4.	Specified Currency or Currencies:		[ ]
5.	Aggregate Nominal Amount:		
	(i)	Series:	[ ]
	(ii)	Tranche:	[ ]]
6.	Issue Price:		[ ] per cent. of the Aggregate Nominal Amount of this Tranche [plus accrued interest from [*insert date*] (*if applicable*)]
7.	(i)	Specified Denominations:	[ ]
	(in the case of Registered Notes, this means the minimum integral amount in which transfers can be made)		[ ] *(N.B. Notes must have a minimum denomination of €100,000 (or equivalent) unless they are to be admitted to trading only on a regulated market, or a specific segment of a regulated market, to which only qualified investors have access)* (*Note — for Bearer Notes, where multiple denominations above [€100,000] or equivalent and multiples of a lower nominal amount (e.g. €1,000) are being used the following sample wording should be followed*: *"[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]."*)
	(i)	Calculation Amount (in relation to calculation of interest whilst the Notes are in global form, see the Conditions):	[ ] (*If only one Specified Denomination, insert the Specified Denomination*. *If more than one Specified Denomination, insert the highest common factor. Note: There must be a common*

			factor in the case of two or more Specified Denominations.)
8.	(i)	Issue Date:	[ ]
	(ii)	Interest Commencement Date:	[*specify*/Issue Date/Not Applicable] (*N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes*)
9.		Maturity Date:	[*Fixed rate — specify date*/*Floating rate* — Interest Payment Date falling in or nearest to [*specify month and year*]] (*Note that for Renminbi denominated Fixed Rate Notes where the Interest Payment Dates and the amount of interest to be paid on such Interest Payment Dates are subject to modification in accordance with a Business Day Convention, it will be necessary to use the following wording: "Interest Payment Date falling in or nearest to* [*specify month and year*]")
10.		Interest Basis:	[[ ] per cent. Fixed Rate] [[EURIBOR/SHIBOR/HIBOR/SIBOR/KLIBOR/EIBOR/ SAIBOR/BBSW/JPY LIBOR/PRIBOR/CNH HIBOR/TRLIBOR or TRYLIBOR/TIBOR/SOFR] +/– [ ] per cent. Floating Rate] [Zero Coupon] (see paragraph [15] [16] [(xiii)] below)
11.		Redemption Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [ ] per cent. of their nominal amount
12.		Change of Interest Basis:	[*Specify the date when any fixed to floating rate change occurs or cross refer to paragraphs 15 and 16 below and identify there*][Not Applicable]
13.		Put/Call Options:	[Investor Put] [Issuer Call] [(see paragraphs 20 and 21 below)]
14.	(i)	Status of the Notes:	Senior
	(ii)	Status of the Deed of Guarantee:	Senior
	(iii)	[Date [Board] approval for issuance of Notes and Deed of Guarantee obtained:	[ ] [and [ ], respectively]]

(*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Deed of Guarantee*)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	**Fixed Rate Note Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Rate[(s)] of Interest:	[ ] per cent. per annum payable in arrear on each Interest Payment Date
	(ii)	Interest Payment Date(s):	[[ ] in each year up to and including the Maturity Date]/[*specify other*] (*N.B. This will need to be amended in the case of long or short coupons*) (*For Renminbi denominated Fixed Rate Notes where the Interest Payment Dates and the amount of interest to be paid on such Interest Payment Dates are subject to modification, specify a Business Day Convention in paragraph 15(iii) below (which is expected to be the Modified Following Business Day Convention) and add the words ", subject to adjustment in accordance with the Business Day Convention. For these purposes, "Business Day" means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the applicable RMB Settlement Centre" after "Maturity Date" in this subparagraph (b)*)
	(iii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention][Not Applicable]
	(iv)	Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form see the Conditions):	[ ] per Calculation Amount (*For Renminbi denominated Fixed Rate Notes where Interest Payment Dates and the amount of interest to be paid on such Interest Payment Dates are subject to modification in accordance with a Business Day Convention, the following alternative wording is appropriate: "Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005 being rounded upwards."*)
	(v)	Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see the Conditions):	[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]

	(vi)	Day Count Fraction:	[30/360 or Actual/Actual (ICMA) or Actual/365 (Fixed)[3]]
	(vii)	Determination Date(s):	[[ ] in each year] [Not Applicable] *(N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)*
16.	**Floating Rate Note Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Specified Period(s)/Specified Interest Payment Dates:	[ ] [Subject to adjustment in accordance with the Business Day Convention set out in (ii) below/Not subject to adjustment, as the Business Day Convention in (ii) below is specified to be Not Applicable]
	(ii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/Not Applicable]
	(iii)	Additional Business Centre(s):	[ ]
	(iv)	Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/ISDA Determination/Not applicable]
	(v)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Issuing and Principal Paying Agent):	[ ] [Not applicable]
	(vi)	Screen Rate Determination:	[Applicable] / [Not Applicable] (*if not applicable, delete the remaining items of this subparagraph*)
		• Reference Rate:	[ ] month [[EURIBOR/SHIBOR/HIBOR/SIBOR/KLIBOR/EIBOR/ SAIBOR/BBSW/JPY LIBOR/PRIBOR/CNH HIBOR/TRLIBOR or TRYLIBOR/TIBOR] calculated in accordance with Condition 6.2(b)(ii) (*Screen Rate Determination for Floating Rate Notes not Referencing SOFR*)] / [SOFR] calculated in accordance with Condition 6.2(b)(iii) (*Screen Rate Determination for Floating Rate Notes Referencing SOFR*)]
		• Interest Determination Date(s):	[•]/[The date falling [•] Business Days prior to the first day of each Interest Period]/[First day of each Interest Period]/[The [•][*first, second, third etc.]* Business Day immediately preceding the Interest Payment Date for each Interest Period (or immediately preceding such

[3] Applicable to Renminbi denominated Fixed Rate Notes.

earlier date, if any, on which the Notes are due and payable).][*provide details*]/[The Interest Payment Date at the end of each Interest Period; **provided that** the Interest Determination Date with respect to the last Interest Period prior to the Maturity Date or the date fixed for redemption will be the Rate Cut-off Date - *Include this wording for Payment Delay only*]] *

- Relevant Screen Page: [ ]

  (*In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately or, in the case of EIBOR, if not Reuters AEIBOR, ensure it is a page which shows a composite rate*)

- Relevant Time: [ ]

- Relevant Financial Centre: [ ]

- Calculation Method: [Weighted Average[/ [Compounded Daily] / [SOFR Index]

- Observation Method [Lag]/[Lock-out] / [Observation Shift] / [Payment Delay]/ [Not Applicable] / [SOFR Index]

- Observation Look-Back Period: [•]/[Not Applicable]* / [SOFR Index]

- Effective Interest Payment Date: [The date falling [•] Business Days following each Interest Payment Date, **provided that** the Effective Interest Payment Date with respect to the last Interest Period will be the Maturity Date or, if the Issuer elects to redeem the Notes before the Maturity Date, the date fixed for redemption - *used for Payment Delay only*]/[Not Applicable]

- Rate Cut-off Date: [The date falling [•] Business Days prior to the Maturity Date or the date fixed for redemption, as applicable – *used for Payment Delay only*]/[Not Applicable]

(vii) ISDA Determination: [Applicable] / [Not Applicable]

(*if not applicable, delete the remaining items of this subparagraph*)

- Floating Rate Option: [ ]

---

* *To be at least 5 Business Days before the relevant Periodic Distribution Date where the Reference Rate is SOFR.*

* *The length of the Observation Look-back Period should be at least as many Business Days as the period between the Interest Payment Date and the Interest Determination Date. "Observation Look-back Period" is only applicable where "Lag" or "Observation Shift" is selected as the Observation Method; otherwise, select "Not Applicable".*

	• Designated Maturity:	[ ]
	• Reset Date:	[ ] (*In the case of a EURIBOR based option, the first day of the Interest Period*)
(viii)	Linear Interpolation:	[Not Applicable/Applicable - the rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
(ix)	Margin(s):	[+/ –] [ ] per cent. per annum
(x)	Minimum Rate of Interest:	[ ] per cent. per annum
(xi)	Maximum Rate of Interest:	[ ] per cent. per annum
(xii)	Day Count Fraction:	[Actual/Actual (ISDA)][Actual/Actual] Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 [30/360][360/360][Bond Basis] [30E/360][Eurobond Basis] 30E/360 (ISDA)
(xiii)	Zero Coupon Note Provisions	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
(xiv)	Accrual Yield:	[ ] per cent. per annum
(xv)	Reference Price:	[ ]
(xvi)	Day Count Fraction in relation to Early Redemption Amounts and late payment:	[30/360] [Actual/360] [Actual/365]

PROVISIONS RELATING TO REDEMPTION

17.	**Notice periods for Condition 8.4**		Minimum period: [ ] days Maximum period: [ ] days
	(i)	Issuer Call:	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(ii)	Optional Redemption Date(s):	[ ]

(iii)	Optional Redemption Amount:	[ ] per Calculation Amount
(iv)	If redeemable in part:	
(v)	Minimum Redemption Amount:	[ ]
(vi)	Maximum Redemption Amount:	[ ]
(vii)	Notice periods:	Minimum period: [5] days Maximum period: [ ] days (*N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Issuing and Principal Paying Agent*)
(viii)	Investor Put:	[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
(ix)	Optional Redemption Date(s):	[ ]
(x)	Optional Redemption Amount:	[ ] per Calculation Amount
(xi)	Notice periods:	Minimum period: [15] days Maximum period: [ ] days (*N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Issuing and Principal Paying Agent*)

18.	**Final Redemption Amount:**	[[ ] per Calculation Amount]
(i)	Early Redemption Amount payable on redemption for taxation reasons or on event of default:	[ ] per Calculation Amount (*N.B. If the Final Redemption Amount is 100 per cent. of the nominal value (i.e. par), the Early Redemption Amount is likely to be par (but consider). If, however, the Final Redemption Amount is other than 100 per cent. of the nominal value, consideration should be given as to what the Early Redemption Amount should be.*)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

19.	Form of Notes:	[Bearer Notes: [Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Notes upon an Exchange Event] [Temporary Bearer Global Note exchangeable for Definitive Notes on and after the Exchange Date] [Permanent Bearer Global Note exchangeable for Definitive Notes upon an Exchange Event] [Registered Notes: Registered Global Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg] [Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian Law of 14 December 2005] (*N.B. The option for an issue of Notes to be represented on issue by a Temporary Bearer Global Note or Permanent Bearer Global Note exchangeable for Definitive Notes should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]."*)
20.	Additional Financial Centre(s):	[Not Applicable/*give details*] (*Note that this paragraph relates to the date of payment and not Interest Period end dates to which item 16(iii) relates*)
21.	Talons for future Coupons to be attached to Definitive Bearer Notes:	[Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]
22.	RMB Settlement Centre(s):	[ ] [Not Applicable]
23.	RMB Currency Event:	[Applicable/Not Applicable]
24.	Relevant Currency for Condition 7.7 (*RMB Currency Event*):	[ ][Not Applicable]
25.	Relevant Spot Rate Screen Pages for Condition 7.7 (*RMB Currency Event*):	(i) Relevant Spot Rate Screen Page (Deliverable Basis): [ ] [Not Applicable] (ii) Relevant Spot Rate Screen Page (Non-deliverable Basis): [ ] [Not Applicable] (*For U.S. dollars, use Reuters Screen Page TRADCNY and Reuters Screen Page TRADNDF, respectively.*)

26.	Party responsible for calculating the Spot Rate for Condition 7.7 (*RMB Currency Event*):	[*give name* (the "**Calculation Agent**")][Not Applicable]

27. **THIRD PARTY INFORMATION**

[[*Relevant third party information*] has been extracted from [*specify source*]. Each of the Issuer and the Guarantor 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].

Signed on behalf of Burgan Senior SPC Limited:	Signed on behalf of Burgan Bank K.P.S.C.
By:.....	By:.....
Duly authorised	*Duly authorised*

PART B — OTHER INFORMATION

1. LISTING

(i)	Listing and admission to trading:	[Application has been made by the Issuer (or on its behalf) for the [Notes to be admitted to trading on the London Stock Exchange plc's International Securities Market] with effect from [ ].] [Not Applicable.]
(ii)	Estimate of total expenses related to admission to trading:	[ ]

2. RATINGS

Ratings:	[The Notes to be issued [[have been]/[are expected to be]] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]: [*insert details*] by [*insert the legal name of the relevant credit rating agency entity(ies) and associated defined terms*]. Each of [*defined terms*] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). (*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.*)

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

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

4. USE OF PROCEEDS

(i)	Use of Proceeds:	
(ii)	Estimated amount of net proceeds:	[ ]

5. SUSTAINABLE NOTES

(i)	Sustainable Notes:	[Applicable]/[Not Applicable] [See "*Use of Proceeds*" in the Base Offering Circular]
(ii)	Type of Sustainable Notes (if applicable):	[Green Notes/[Social Notes]/[Sustainability Notes]

6. YIELD *(Fixed Rate Notes Only)*

Indication of yield:	[ ] per cent. per annum on an annual basis. The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

7. OPERATIONAL INFORMATION

(i)	ISIN Code:	[ ]
(ii)	Common Code:	[ ]
(iii)	CFI:	[[See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Applicable]/[Not Available]]
(iv)	FISN:	[[See/[[*include code*], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable]/[Not Available]]
(v)	Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	[Not Applicable/*give name(s) and number(s)*]
(vi)	Delivery:	Delivery [against/free of] payment
(vii)	Names and addresses of additional Paying Agent(s) (if any):	[ ]

8. DISTRIBUTION

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(ii)	If syndicated, names of Managers:	[Not Applicable/*give names*]
(iii)	Stabilisation Manager(s) (if any)	[Not Applicable/*give name*]
(iv)	If non-syndicated, name of relevant Dealer:	[Not Applicable/*give name*]

(v)	U.S. Selling Restrictions:	[Reg. S Compliance Category [1/2/3]; TEFRA D/TEFRA C/TEFRA not applicable]]
(vi)	Prohibition of Sales to EEA Retail Investors:	[Applicable/Not Applicable]
(vii)	Prohibition of Sales to UK Retail Investors:	[Applicable/Not Applicable]
(viii)	Prohibition of Sales to Belgian Consumers:	[Applicable/Not Applicable]

USE OF PROCEEDS

The net proceeds from each issue of Notes will be lent by the Issuer to the Guarantor and will be applied by the Guarantor for its general corporate purposes.

In respect of:

1. Sustainable Notes identified as Green Notes (**Green Notes**), an amount at least equal to the equivalent amount will be allocated by the Bank to finance and/or refinance, in whole or in part, Eligible Sustainable Projects which fall under Green Project Categories (as set out under the Sustainable Finance Framework) (**Eligible Green Projects**);

2. Sustainable Notes identified as Social Notes (**Social Notes**), an amount at least equal to the equivalent amount will be allocated by the Bank to finance and/or refinance, in whole or in part, Eligible Sustainable Projects which fall under Social Project Categories (as set out under the Sustainable Finance Framework) (**Eligible Social Projects**); and

3. Sustainable Notes identified as Sustainability Notes (**Sustainability Notes**), an amount at least equal to the equivalent amount will be allocated by the Bank to finance and/or refinance, in whole or in part, a combination of Eligible Green Projects and Eligible Social Projects.

The Sustainable Finance Framework also envisages that the equivalent amount in respect of Sustainable Notes may be used to finance and/or refinance general corporate purpose loans to "Pure Play Companies", which are defined as companies that derive over 90 per cent. of their revenue from the green eligibility criteria and/or social eligibility criteria set out below.

The criteria identifying Eligible Green Projects and Eligible Social Projects (which together with "Pure Play Companies" are referred to as **Eligible Sustainable Projects**) are as set out in the Bank's Sustainable Finance Framework dated 3 February 2022 which is summarised under "*Description of the Group—Sustainable Finance Framework*" and available on the Bank's website (the **Sustainable Finance Framework**).

None of the Sustainable Finance Framework or, save as expressly stated under "*Incorporation by Reference*", the contents of any of the Bank's website are incorporated in or form part of this Base Offering Circular.

See further "*Risk Factors—Risks relating to the Notes—The use of proceeds of any issue of Notes identified as Sustainable Notes in the applicable Pricing Supplement may not meet investor expectations or requirements or be suitable for an investor's investment criteria*".]

DESCRIPTION OF THE ISSUER

General

The Issuer was incorporated in the Dubai International Financial Centre on 3 November 2015 as a special purpose company under the Companies Law, DIFC Law No. 3 of 2006 and the Special Purpose Company Regulations and with registered number 1995.

Registered office

The Issuer's registered office is c/o Maples Fund Services (Middle East) Limited, Office 1407, 14th Floor, Burj Daman, Dubai International Financial Centre, P.O. Box 506734, Dubai, United Arab Emirates, and its telephone number is +971 4511 4200.

Business of the Issuer

The primary purpose of the Issuer is to issue the Notes and to undertake any ancillary activities.

Administration

Maples Fund Services (Middle East) Limited acts as the corporate service provider of the Issuer (in such capacity, the "**Corporate Service Provider**"). The office of the Corporate Service Provider serves as the general business office of the Issuer. Through the office, and pursuant to the terms of a corporate services agreement dated 8 February 2016 entered into between the Issuer and the Corporate Service Provider (the "**Corporate Services Agreement**"), the Corporate Service Provider has agreed to perform in the United Arab Emirates and/or such other jurisdiction as may be agreed by the parties from time to time various management functions on behalf of the Issuer and the provision of certain clerical, administrative and other services until termination of the Corporate Services Agreement. The Issuer and the Corporate Service Provider have also entered into a registered office agreement (the "**Registered Office Agreement**") for the provision of registered office facilities to the Issuer. In consideration of the foregoing, the Corporate Service Provider will receive various fees payable by the Issuer at rates agreed upon from time to time, plus expenses.

The terms of the Corporate Services Agreement and Registered Office Agreement provide that either the Issuer or the Corporate Service Provider may terminate such agreements upon the occurrence of certain stated events, including any breach by the other party of its obligations under such agreements. In addition, the Corporate Services Agreement and the Registered Office Agreement provide that either party shall be entitled to terminate such agreements by giving at least one month's notice in writing to the other party with a copy to the DIFC Registrar of Companies. Furthermore, the Corporate Service Provider has the right to terminate such agreements in the event that there is a change in the shareholding of the Issuer or the Issuer has breached, or is unable to satisfy, any of its obligations under the Notes or the Agency Agreement.

The Corporate Service Provider will be subject to the overview of the Issuer's Board of Directors.

The Corporate Service Provider's principal office is Office 1407, 14th Floor, Burj Daman, Dubai International Financial Centre, P.O. Box 506734, Dubai, United Arab Emirates.

The directors of the Issuer are employees and/or officers of the Corporate Service Provider. The Issuer has no employees and is not expected to have any employees in the future.

Directors

The directors of the Issuer are:

Name	Principal Occupation
Neha Barnwal	Assistant Vice President of Maples Fund Services (Middle East) Limited
Norbert Neijzen	Regional Head of Fiduciary, Middle East, Maples Fund Services (Middle East) Limited

No director of the Issuer has any actual or potential conflicts of interest between the director's private interests and the director's duties to the Issuer.

The directors of the Issuer do not hold any direct, indirect, beneficial or economic interest in any of the shares of the Issuer.

As a matter of Dubai International Financial Centre law, each director of the Issuer is under a duty to act honestly and in good faith with a view to the best interests of the Issuer, regardless of any other interests the director may have.

The business address of the directors of the Issuer is c/o Maples Fund Services (Middle East) Limited, Office 1407, 14th Floor, Burj Daman, Dubai International Financial Centre, P.O. Box 506734, Dubai, United Arab Emirates.

Secretary

Maples Fund Services (Middle East) Limited – see address above.

Share capital

The Issuer has an authorised share capital of U.S.$100 consisting of 100 shares of U.S.$1 nominal value each, of which all 100 shares have been issued and fully paid up as at the date of this Base Offering Circular. The Issuer is a wholly-owned subsidiary of the Guarantor.

The rights of the Guarantor as the shareholder of the Issuer are contained in the articles of association of the Issuer and the Issuer will be managed in its capacity in accordance with those articles the Corporate Services Agreement and the provisions of DIFC law.

SELECTED FINANCIAL INFORMATION

The selected financial information below has been extracted from, should be read in conjunction with, and is qualified in its entirety by reference to, the Financial Statements, which are incorporated by reference in this Base Offering Circular.

Consolidated statement of financial position data

The following table shows the Group's consolidated statement of financial position data as at 30 June 2025, 31 December 2024, 31 December 2023 and 31 December 2022.

	As at 30 June	As at 31 December		
	2025	2024	2023	2022
		(KD thousands)		
ASSETS				
Cash and cash equivalents	926,220	1,053,071	870,332	659,384
Treasury bills and bonds with the CBK and others	451,006	315,393	364,286	301,554
Due from banks and other financial institutions	1,078,429	835,045	656,532	482,101
Loans and advances to customers	4,620,554	4,471,403	4,236,942	4,227,737
Investment securities	839,367	825,239	732,205	714,149
Investment properties	40,706	—	—	—
Other assets	517,538	443,494	372,114	258,048
Property and equipment	209,521	198,706	176,982	163,071
Goodwill and other intangible assets[(1)]	33,039	16,135	16,738	17,530
	8,716,380	**8,158,486**	**7,426,131**	**6,823,574**
Disposal group held for sale	—	—	—	342,386
Total assets	**8,716,380**	**8,158,486**	**7,426,131**	**7,165,960**
LIABILITIES AND EQUITY				
Liabilities				
Due to banks	623,793	853,013	701,942	278,146
Due to other financial institutions	751,140	712,339	437,236	699,421
Deposits from customers	5,360,590	4,903,922	4,463,243	3,932,491
Certificates of deposit issued	69,162	—	—	—
Other borrowed funds	563,253	399,541	549,961	783,392
Other liabilities	294,759	269,813	272,845	243,891
	7,662,697	**7,138,628**	**6,425,227**	**5,937,341**
Liabilities directly associated with the disposal group held for sale	—	—	—	281,204
Total liabilities	**7,662,697**	**7,138,628**	**6,425,227**	**6,218,545**
Equity				
Share capital	380,605	362,481	345,220	328,781
Share premium	282,802	282,802	282,802	282,802
Treasury shares	(1,742)	(1,742)	(1,742)	(1,742)
Statutory reserve	122,822	122,822	117,903	113,234
Voluntary reserve	123,200	123,200	118,281	113,612
Other reserves	(201,308)	(200,633)	(185,941)	(269,121)
Retained earnings	168,915	184,605	185,694	178,500
Total equity attributable to the equity holders of the Bank	**875,294**	**873,535**	**862,217**	**746,066**
Perpetual Tier 1 capital securities	150,000	150,000	153,375	153,150
Non-controlling interests	28,389	(3,677)	(14,688)	48,199
Total equity	**1,053,683**	**1,019,858**	**1,000,904**	**947,415**
Total liabilities and equity	**8,716,380**	**8,158,486**	**7,426,131**	**7,165,960**

Note:

(1) This line item was referred to as "Intangible assets" in the 2023 Financial Statements.

Consolidated statement of income data

The following table shows the Group's consolidated statement of income data for the six-month periods ended 30 June in each of 2025 and 2024 and for the years ended 31 December in each of 2024, 2023 and 2022.

	Six months ended 30 June		Year ended 31 December		
	2025	**2024**	**2024**	**2023**	**2022**
			(KD thousands)		
Interest income	318,616	294,096	610,313	448,309	323,478
Interest expense	(235,971)	(222,978)	(452,924)	(313,446)	(176,014)
Net interest income	**82,645**	**71,118**	**157,389**	**134,863**	**147,464**
Fee and commission income	25,674	20,832	41,508	46,125	48,225
Fee and commission expense	(4,210)	(3,402)	(7,998)	(8,441)	(7,276)
Net fee and commission income	**21,464**	**17,430**	**33,510**	**37,684**	**40,949**
Net gain from foreign currencies	3,864	3,588	5,845	20,370	15,275
Net investment income	4,351	3,850	8,220	7,750	7,002
Dividend income	560	470	1,127	1,483	2,002
Other income	12,852	14,111	22,951	19,588	15,208
Net operating income	**125,736**	**110,567**	**229,042**	**221,738**	**227,900**
Staff expenses	(45,173)	(34,881)	(73,451)	(59,580)	(53,178)
Other expenses	(31,475)	(27,720)	(57,035)	(56,652)	(53,898)
Operating profit	**49,088**	**47,966**	**98,556**	**105,506**	**120,824**
Provision for credit losses	(23,689)	(14,311)	(38,072)	(47,818)	(25,287)
Recoveries from written-off debt	10,089	8,497	31,761	43,015	4,150
Reversal/(provision) for other financial assets[(1)]	(345)	437	403	(877)	10
Net monetary loss	(10,304)	(12,699)	(24,080)	(32,094)	(24,597)
Profit for the period/year before taxation[(2)]	**24,839**	**29,890**	**68,568**	**67,732**	**75,100**
Taxation	(5,244)	(6,961)	(17,840)	(22,527)	(16,440)
Board of directors' remuneration	—	—	(110)	(110)	(110)
Profit for the period/year	**19,595**	**22,929**	**50,618**	**45,095**	**58,550**
Attributable to:					
Equity holders of the Bank	20,816	21,244	46,437	43,547	52,130
Non-controlling interests	(1,221)	1,685	4,181	1,548	6,420
	19,595	**22,929**	**50,618**	**45,095**	**58,550**

Notes:

(1) This line item was referred to as "Provision release (charge) for other financial assets" in the Annual Financial Statements.

(2) This line item was referred to as "Profit for the year before taxation and Board of Directors' remuneration" in the Annual Financial Statements.

Consolidated statement of comprehensive income data

The following table shows the Group's consolidated statement of comprehensive income data for the six-month periods ended 30 June in each of 2025 and 2024 and for the years ended 31 December in each of 2024, 2023 and 2022.

	Six months ended 30 June		Year ended 31 December		
	2025	**2024**	**2024**	**2023**	**2022**
			(KD thousands)		
Profit for the period/year	**19,595**	**22,929**	**50,618**	**45,095**	**58,550**
Other comprehensive (loss) income:					
Items that will not be reclassified to interim condensed consolidated/ consolidated statement of income in subsequent periods:					
Net change in fair value of equity instruments at fair value through other comprehensive income	3,269	(3,681)	(10,449)	(10,530)	(20,964)
	3,269	**(3,681)**	**(10,449)**	**(10,530)**	**(20,964)**
Items that are or will be reclassified to interim condensed consolidated/ consolidated statement of income in subsequent periods:					
Debt instruments at fair value through other comprehensive income:					
- Net change in fair value	3,181	(2,224)	4,255	7,463	(23,647)
- Net transfer to interim condensed consolidated/consolidated statement of income	(3,302)	1,801	(1,418)	(1,212)	(729)
Foreign currency translation adjustment	(13,058)	(11,208)	(17,677)	(34,413)	(18,844)
Changes in fair value of cash flow hedges	1,313	(4,605)	(6,629)	4,139	11,786
Net (loss)/gain on hedge of a net investment	—	(2,320)	(2,506)	14,522	2,449
Reversal of disposal group held for sale:					
- Net transfer to consolidated statement of income on sale of disposal group held for sale	—	—	—	6,153	—
Other comprehensive loss for the period/year	**(8,597)**	**(22,237)**	**(34,424)**	**(13,878)**	**(49,949)**
Total comprehensive income for the period/year	**10,998**	**692**	**16,194**	**31,217**	**8,601**
Attributable to:					
Equity holders of the Bank	20,285	7,256	24,712	30,425	1,360
Non-controlling interests	(9,287)	(6,564)	(8,518)	792	7,241
	10,998	**692**	**16,194**	**31,217**	**8,601**

Summary consolidated statement of cash flows data

The following table summarises the Group's consolidated statement of cash flows data for the six-month periods ended 30 June in each of 2025 and 2024 and for the years ended 31 December in each of 2024, 2023 and 2022.

	Six months ended 30 June		Year ended 31 December		
	2025	2024	2024	2023	2022
			(KD thousands)		
Operating profit before changes in operating assets and liabilities	63,015	60,679	135,573	155,091	130,023
Net cash flows (used in) from operating activities	(239,876)	(19,475)	488,948	399,400	(188,089)
Net cash flows from (used in) investing activities	36,732	(38,218)	(119,918)	(66,973)	(110,549)
Net cash flows from (used in) financing activities	76,293	31,300	(186,291)	(269,348)	134,316
Net (decrease) increase in cash and cash equivalents	(126,851)	(26,393)	182,739	63,079	(164,322)
Cash and cash equivalents at 1 January	1,053,071	870,332	870,332	807,253	971,575
Cash and cash equivalents at 30 June/31 December	926,220	843,939	1,053,071	870,332	807,253

Financial ratios and APMs

The following table sets out certain financial ratios and APMs. These ratios are not calculated based IFRS and are not IFRS measures of financial performance.

	As at/six months ended 30 June	As at/year ended 31 December		
	2025	2024	2023	2022
Measures of profitability, %				
Return on average assets[(1)]	0.5	0.6	0.6	0.7
Return on average equity[(2)]	4.8	5.4	5.4	7.0
Net interest margin[(3)]	2.1	2.2	2.0	2.2
Net interest spread[(4)]	1.6	1.5	1.4	1.9
Efficiency, %				
Cost to income[(5)]	61.0	57.0	52.4	47.0
Total operating expenses to average total assets[(6)]	1.8	1.7	1.6	1.5
Asset quality, %				
NPLs to cash exposure[(7)]	3.2	1.8	2.0	1.9
Risk provision to NPLs [(7), (9)]	101.1	161.5	220.5	205.7
NPLs net of collateral to cash exposure[(7), (8)]	0.7	0.4	0.4	0.2
Non-performing assets to total exposure[(7)]	2.7	1.7	1.8	1.8
Risk provision to non-performing assets[(7), (9)]	106.1	161.9	213.0	197.5
Non-performing assets net of collateral to total exposure [(7), (8)]	0.8	0.6	0.5	0.4
Cost of credit ratio[(10)]	0.6	0.1	0.1	0.5
Funding/liquidity/capitalisation, % unless otherwise indicated				
Loans and advances to customers to deposits from customers (*times*)[(11)]	0.9	0.9	0.9	1.1
Loans and advances to customers to total assets	53.0	54.8	57.1	59.0

Total assets to total equity (*times*)[12]	10.0	9.3	8.6	9.6
Total liabilities to total equity (*times*) [12]	8.8	8.2	7.5	8.3
Capital adequacy ratio[13]	17.4	18.6	20.0	16.8
Tier 1 capital ratio[13]	13.8	14.9	16.1	13.2
Liquidity ratio[14]	28.2	27.0	25.5	20.1

Notes:

(1) This ratio shows how many KD of earnings the Group derives from each KD of assets it controls. The ratio is calculated as profit for the year or annualised profit for the period attributable to equity holders of the Bank divided by average total assets. Average total assets for annual periods is calculated as the average of the current and preceding fiscal year ends and average total assets for interim periods is calculated as the average of the current period end and the preceding fiscal year end. Annualised profit for the period attributable to equity holders of the Bank is calculated as profit for the period attributable to equity holders of the Bank multiplied by two.

(2) This ratio is a measure of the profitability of the Group's business in relation to the book value of its shareholders' equity and is a measure of how well the Group uses shareholders' equity to generate earnings growth. The ratio is calculated as profit for the year or annualised profit for the period attributable to equity holders of the Bank divided by average total equity attributable to the equity holders of the Bank. Average total equity attributable to the equity holders of the Bank for annual periods is calculated as the average of the current and preceding fiscal year ends and average total equity attributable to the equity holders of the Bank for interim periods is calculated as the average of the current period end and the preceding fiscal year end. Annualised profit for the period attributable to equity holders of the Bank is calculated as profit for the period attributable to equity holders of the Bank multiplied by two.

(3) A positive figure denotes that the Group's return on its interest earning assets exceeds its interest expenses. The ratio is calculated as net interest income for the year or annualised net interest income for the period divided by average interest-earning assets. Interest earning assets comprise all assets excluding other assets, property and equipment, investment properties and intangible assets. Average interest-earning assets for annual periods is calculated as the average of the current and preceding fiscal year ends and average total interest-earning assets for the interim period is calculated as the average of the interim period end and the preceding fiscal year end.

(4) A positive figure denotes that the Group's lending rates exceed its borrowing rates. The ratio is calculated as yield (interest income/average interest-earning assets) less cost of funds (interest expenses/average interest-bearing liabilities). For the interim period, interest income and interest expense are annualised by multiplying them by two. Interest-bearing liabilities comprise total liabilities excluding other liabilities. Average interest-bearing liabilities for annual periods is calculated as the average of the current and preceding fiscal year ends and average total interest-bearing liabilities for the interim period is calculated as the average of the current period end and the preceding fiscal year end.

(5) A lower percentage indicates that operating expenses are low relative to operating income. This ratio is calculated as total operating expenses (being the sum of staff expenses and other expenses) divided by net operating income.

(6) A lower percentage indicates that operating expenses are low relative to the Group's average assets during the financial year or period. The ratio is calculated as total operating expenses divided average total assets. For the interim period, total operating expenses are annualised by multiplying them by two.

(7) NPLs comprise non-performing loans and advances to customers and non-performing due from banks and other financial institutions (excluding placements). Non-performing assets comprise NPLs plus non-cash NPLs. Cash exposure comprises loans and advances to customers and due from banks and other financial institutions (excluding placements). Total exposure comprises loans and advances to customers and due from banks and other financial institutions (excluding placements) and commitments and contingent liabilities. As at 30 June 2025, 31 December 2024, 31 December 2023 and 31 December 2022 (i) non-performing loans amounted to KD 165 million, KD 92 million, KD 94 million and KD 88 million, respectively, (ii) non-performing assets amounted to KD 181 million, KD 107 million, KD 109 million and KD 104 million, respectively, (iii) cash exposure amounted to KD 5,188 million, KD 4,972 million, KD 4,681 million and KD 4,651 million, respectively and (iv) total exposure amounted to KD 6,601 million, KD 6,262 million, KD 5,932 million and KD 5,847 million, respectively.

(8) NPLs net of collateral amounted to KD 35 million, KD 20 million, KD 17 million and KD 10 million, respectively, as at 30 June 2025 and as at 31 December in each of 2024, 2023 and 2022. Non-performing assets net of collateral amounted to KD 51 million, KD 35 million, KD 32 million and KD 26 million, respectively, as at 30 June 2025 and as at 31 December in each of 2024, 2023 and 2022.

(9) Risk provision against NPLs comprises total provisions, i.e. the sum of general and specific provisions available against loans and advances to customers and exposure to other financial institutions and banks. Risk provision against non-performing assets comprises the risk provision against NPLs plus provisions for non-cash credit facilities and is set out in note 5b to each of the Annual Financial Statements. For the six months ended 30 June 2025, risk provision against NPLs amounted to KD 167 million and risk provision against non-performing assets amounted to KD 192 million. For each of 2024, 2023 and 2022, risk provision against NPLs amounted to KD 149 million, KD 206 million and KD 181 million, respectively.

(10) Calculated as provision for credit losses for the year or annualised provision for credit losses for the period divided by gross loans and advances to customers. Credit losses are calculated as provisions for credit losses adjusted for recoveries from written off debt. Gross loans and advances to customers amounted to KD 4,763 million as at 30 June 2025 and, in the case of the annual figures, are set out in note 5 to the Annual Financial Statements. Provision for credit losses for the period is annualised by multiplying it by two.

(11) The loan to deposit ratio is used to assess the liquidity position of the Group. A ratio of less than one implies that the Group has relied on funds deposited by customers to make loans and advances. A ratio of more than one implies that the Group has extended loans and advances from funds borrowed by it in addition to deposits.

(12) A high ratio indicates that the Group is highly leveraged and its liquidity is low. Total equity means total equity attributable to the equity holders of the Bank.

(13) Calculated in accordance with the requirements of the CBK's Basel III regulations.

(14) A high percentage indicates higher liquidity. This ratio is calculated as the sum of cash and cash equivalents, treasury bills and bonds with CBK and others and due from banks and other financial institutions divided by total assets.

SUMMARY OF OPERATING PERFORMANCE AND FINANCIAL REVIEW

Set out below is a brief discussion of the Group's consolidated operating performance and financial position as at, and for the years ended, 31 December in each of 2024, 2023 and 2022.

OPERATING PERFORMANCE

Net operating income

2024 and 2023 compared

The Group's net operating income increased by KD 7 million, or 3.3 per cent., to KD 229 million in 2024 from KD 222 million in 2023.

This increase was driven by a KD 23 million, or 16.7 per cent. increase in net interest income in 2024 compared to 2023 which reflected a KD 162 million, or 36.1 per cent., increase in interest income offset by a KD 139 million, or 44.5 per cent., increase in interest expense. The increase in net interest income from 2023 to 2024 was supported by an improvement in the Group's net interest margin, which increased from 2.0 per cent. in 2023 to 2.2 per cent. in 2024, reflecting robust business expansion across the Group's franchises and higher interest margins.

The Group's non-interest income was KD 72 million in 2024 compared to KD 87 million in 2023, a decrease of KD 15 million, or 17.5 per cent., which was primarily attributable to lower net fee & commission income and reduced net gain from foreign currencies in the Bank's international franchises. Despite this moderation, the overall income base demonstrated continued resilience and diversification across business lines.

2023 and 2022 compared

The Group's net operating income decreased by KD 6 million, or 2.7 per cent., to KD 222 million in 2023 from KD 228 million in 2022, principally reflecting the sale of its Iraq-based subsidiary, Bank of Baghdad (**BoB**) in early 2023, which had contributed net operating income of KD 23 million in 2022.

On a comparable basis, excluding BoB's contribution in 2022, the Group's net operating income for 2022 would have been KD 205 million, reflecting growth of KD 16 million, or 8.0 per cent., in 2023, driven by higher fee and commission income and net gain from foreign currencies in 2023 relative to 2022.

Total operating expenses

The Group's total operating expenses comprise its staff costs and its other expenses.

2024 and 2023 compared

The Group's total operating expenses increased by KD 14 million, or 12.3 per cent., to KD 130 million in 2024 compared to KD 116 million in 2023. This increase was primarily driven by higher staff costs, reflecting both new hires and inflation-linked salary adjustments which were particularly pronounced for BBT due to hyperinflationary pressures. In addition, continued investments in digital and IT infrastructure, supporting the Group's strategic focus on technology and operational efficiency, contributed to the overall growth in operating expenses.

2023 and 2022 compared

Reflecting the Group's ongoing focus on enhancing digital infrastructure and strengthening operational capabilities, together with higher staff costs arising from new hires, inflation-linked salary adjustments and

related accruals, the Group's total operating expenses increased by KD 9 million, or 8.6 per cent., to KD 116 million in 2023 compared to KD 107 million in 2022.

Excluding the impact of the BoB divestment, the increase would have been approximately 15.3 per cent., reflecting the core expense growth required to advance the Group's strategic initiatives such as ongoing investments in technology and strengthening operational capabilities.

Provisions

The Group's provisions comprise charges for expected credit losses incurred during the year, net of recoveries from previously written-off exposures.

2024 and 2023 compared

In 2024, the Group's provision for credit losses, net of recoveries, were KD 6 million compared to KD 5 million in 2023. The Group's cost of credit, after recoveries, remained low and broadly unchanged at 0.1 per cent., reflecting the strength and resilience of its lending portfolio, underpinned by disciplined risk management and effective recovery practices.

2023 and 2022 compared

The Group's provision for credit losses, net of recoveries was KD 5 million in 2023 compared to KD 21 million in 2022 (KD 15 million excluding BoB). This reduction reflected improved portfolio performance and disciplined risk management.

Net monetary losses

The Group's net monetary loss reflects the application of IAS 29 (*Financial Reporting in Hyperinflationary Economies*) at the Group level in connection with the consolidation of its Turkish subsidiary, BBT, which operates in a hyperinflationary environment.

2024 and 2023 compared

Net monetary losses arising from hyperinflation, as accounted for under IAS 29, and attributable to the Group's Turkish operations decreased by KD 8 million, or 25.0 per cent., from KD 32 million in 2023 to KD 24 million in 2024. This reflected the easing of inflationary pressures in Turkey and an overall improvement in the country's macroeconomic environment.

2023 and 2022 compared

Net monetary losses increased by KD 7 million, or 30.5 per cent., from KD 25 million in 2022 to KD 32 million in 2023, primarily reflecting ongoing macroeconomic challenges and inflationary pressures in Turkey.

Profit for the year

Reflecting the above factors and the Group's taxation charge in each year, the Group's profit for the year attributable to equity holders of the Bank increased by KD 3 million, or 6.6 per cent., to KD 46 million in 2024 from KD 44 million in 2023 and decreased by KD 9 million, or 16.5 per cent., in 2023 from KD 52 million in 2022.

The 2024 figure reflects the sale of a 52 per cent. stake in BBT in December 2023. Adjusted for this sale, the Group's profit attributable to equity holders of the Bank would have been higher by KD 5 million, representing a 12.6 per cent. increase in 2024 compared with 2023. Excluding BoB in 2022, the Group's

profit for the year attributable to equity holders of the Bank would have decreased by KD 4 million, or 8.1 per cent.

FINANCIAL POSITION

Assets

The Group's total assets were KD 8,158 million as at 31 December 2024, KD 7,426 million as at 31 December 2023 and KD 7,166 million as at 31 December 2022 (KD 6,824 million on an adjusted basis, excluding BoB). This represents a compound annual growth rate of 6.7 per cent. (or 9.3 per cent. when adjusted for BoB) between 2022 and 2024. The increase in total assets was largely driven by growth in loans and advances to customers and due from banks and other financial institutions, primarily within the Group's Kuwait operations.

Loans and advances to customers

The Group's loans and advances to customers are its principal asset class, comprising 54.8 per cent. of the Group's total assets as at 31 December 2024, 57.1 per cent. of the Group's total assets as at 31 December 2023 and 59.0 per cent. as at 31 December 2022.

The table below shows the Group's gross loans and advances to customers by customer category, provisions and net loans and advances to customers as at 31 December in each of 2024, 2023 and 2022.

	As at 31 December		
	2024	**2023**	**2022**
		(KD thousands)	
Corporate	4,003,690	3,896,134	3,928,638
Retail	592,745	523,534	454,904
Gross loans and advances to customers	**4,596,435**	**4,419,668**	**4,383,542**
Less: provision	(125,032)	(182,726)	(155,805)
Net loans and advances to customers	**4,471,403**	**4,236,942**	**4,227,737**

The table below summarises the maturity profile of the Group's loans and advances to customers. The maturities of have been determined according to when the loans and advances to customers are expected to be recovered or settled. The actual maturities may differ from the maturities shown below since borrowers may have the right to prepay obligations with or without prepayment penalties.

	Up to 3 months	**3 to 6 months**	**6 to 12 months**	**More than 12 months**	**Total**
			(*KD thousands*)		
As at 31 December 2024					
Loans and advances to customers	1,777,583	664,570	595,721	1,433,529	**4,471,403**
As at 31 December 2023					
Loans and advances to customers	1,415,363	633,861	617,604	1,570,114	**4,236,942**
As at 31 December 2022					
Loans and advances to customers	1,889,020	481,520	492,154	1,365,043	**4,227,737**

As at 31 December 2024, 39.8 per cent. of the Group's loans and advances to customers had an expected remaining maturity of less than three months, with 67.9 per cent. having an expected remaining maturity of less than one year and 32.1 per cent. having an expected remaining maturity of more than one year.

As at 31 December 2023, 33.4 per cent. of the Group's loans and advances to customers had an expected remaining maturity of less than three months, with 62.9 per cent. having an expected remaining maturity of less than one year and 37.1 per cent. having an expected remaining maturity of more than one year.

As at 31 December 2022, 44.7 per cent. of the Group's loans and advances to customers had an expected remaining maturity of less than three months, with 67.7 per cent. having an expected remaining maturity of less than one year and 32.3 per cent. having an expected remaining maturity of more than one year.

The Annual Financial Statements do not contain geographical or sectoral breakdowns of the Group's loans and advances to customers, although they do provide these breakdowns by financial assets and commitments and contingent liabilities. For these purposes, financial assets comprise loans and advances to customers, cash and cash equivalents, due from banks and other financial institutions, investment securities – debt securities, treasury bills and bonds with CBK and others and other assets. See further note 22A to each of the Annual Financial Statements.

Investment securities

The Group's investment securities represented comprised 10.1 per cent. of its total assets as at 31 December 2024, 9.9 per cent. as at 31 December 2023 and 10.0 per cent. as at 31 December 2022.

The Group's investment securities comprise (i) a portfolio of debt and equity investments held at FVOCI; (ii) a portfolio of debt securities held at amortised cost; (iii) a portfolio of managed funds and debt and equity securities held at FVTPL; and (iv) its investment in an associate.

The table below shows the Group's investment securities by accounting classification as at 31 December 2024.

	FVOCI	**FVTPL**	**Amortised cost**	**Associate**	**Total**
			(*KD thousands*)		
Debt securities	396,046	16,975	218,577	—	**631,598**
Equity securities	112,508	2,936	—	4,968	**120,412**
Managed funds	—	73,932	—	—	**73,932**
Less: Expected credit losses	—	—	(703)	—	**(703)**
	508,554	**93,843**	**217,874**	**4,968**	**825,239**

For further information on the Group's investment securities, see note 6 to the 2023 Financial Statements and note 22 to each of the Annual Financial Statements.

Liabilities

The Group's total liabilities were KD 7,139 million as at 31 December 2024, KD 6,425 million as at 31 December 2023 and KD 6,219 million as at 31 December 2022 (KD 5,937 million on an adjusted basis, excluding BoB). This represents a compound annual growth rate of 7.1 per cent. (or 9.7 per cent. when adjusted for BoB). This increase was primarily driven by growth in the deposit base and interbank borrowings, predominantly within the Group's Kuwait operations.

Deposits from customers

The Group's principal liability class is its deposits from customers, which represented 68.7 per cent. of its total liabilities as at 31 December 2024, 69.5 per cent. as at 31 December 2023 and 63.2 per cent. as at 31 December 2022.

The Group's deposits from customers principally comprise demand deposits and time deposits. The Group's demand deposits are mostly non-interest bearing and amounts may be withdrawn from these accounts at any time without notice. Time deposits pay interest and have a fixed maturity date.

The Group believes that its deposits from customers are diversified and constitute a stable and secure source of low-cost funding. Customer deposits underpin the Group's liquidity position, with the ratio of its current account balances to its savings account balances being at 30.9 per cent. as at 31 December 2024, 32.4 per cent. as at 31 December 2023 and 36.4 per cent. as at 31 December 2022. This ratio illustrates the Group's reliable and cost-effective funding structure, supporting both balance sheet stability and ongoing operational flexibility.

The table below shows the maturity breakdown of Group's deposits from customers as at 31 December in each of 2024, 2023 and 2022 based on the remaining undiscounted contractual maturities.

	Up to 3 months	3 to 6 months	6 to 12 months	More than 12 months	Total
			(*KD thousands*)		
As at 31 December 2024					
Deposits from customers	3,674,815	677,296	458,697	145,594	**4,956,402**
As at 31 December 2023					
Deposits from customers	3,235,371	578,179	620,324	83,150	**4,517,024**
As at 31 December 2022					
Deposits from customers	3,339,229	254,918	229,255	142,486	**3,965,888**

As at 31 December 2024, 74.1 per cent. of the Group's deposits from customers had a remaining undiscounted contractual maturity of less than three months, with 97.1 per cent. having a remaining undiscounted contractual maturity of less than one year and 2.9 per cent. having a remaining undiscounted contractual maturity of more than one year.

As at 31 December 2023, 71.6 per cent. of the Group's deposits from customers had a remaining undiscounted contractual maturity of less than three months, with 98.2 per cent. having a remaining undiscounted contractual maturity of less than one year and 1.8 per cent. having a remaining undiscounted contractual maturity of more than one year.

As at 31 December 2022, 84.2 per cent. of the Group's deposits from customers had a remaining undiscounted contractual maturity of less than three months, with 96.4 per cent. having a remaining undiscounted contractual maturity of less than one year and 3.6 per cent. having a remaining undiscounted contractual maturity of more than one year.

RECENT DEVELOPMENTS

Acquisition of UGB

In February 2025, the Bank acquired 100 per cent. of the equity interest in UGB, a licensed conventional wholesale bank based in Bahrain. UGB was consolidated in the Interim Financial Statements from 25 February 2025. The total identifiable net assets at fair value acquired was KD 97 million. The purchase consideration was KD 59 million and the net cash outflow on acquisition was KD 30 million. The acquisition gave rise to goodwill of KD 6 million. See further note 14 to the Interim Financial Statements.

Interim Financial Statements

On 30 July 2025, the Group published the Interim Financial Statements. Investors should not rely on interim results as being indicative of the results the Group may achieve for the full year.

Net operating income

The Group's net operating income increased by KD 15 million, or 13.7 per cent., to KD 126 million in the six months ended 30 June 2025 from KD 111 million in the comparable period of 2024.

The increase was primarily supported by a KD 12 million, or 16.2 per cent., increase in net interest income to KD 83 million in the six months ended 30 June 2025 from KD 71 million in the comparable period of 2024, driven by a stronger net interest margin which increased to 2.1 per cent. in the six months ended 30 June 2025 from 2.0 per cent. in the comparable period of 2024, as well as by continued expansion of the loan portfolio. Non-interest income grew by 9.2 per cent. to KD 43 million in the six months ended 30 June 2024 from KD 39 million in the comparable period of 2024, largely reflecting contributions from UGB.

Total operating expenses

The Group's total operating expenses increased by KD 14 million, or 22.4 per cent., to KD 77 million in the six months ended 30 June 2025 compared to KD 63 million in the comparable period of 2024. This increase was primarily driven by higher staff costs, reflecting new hiring, inflation-linked salary adjustments and accruals, together with continued investments in digital initiatives across the Group.

Provisions

The Group's provision charge for credit losses, net of recoveries in the six months ended 30 June 2025 increased by KD 8 million, or 133.9 per cent., from KD 6 million in the six months ended 30 June 2024 to KD 14 million. Consequently, the Group's cost of credit, net of recoveries was 0.6 per cent. in the six months ended 30 June 2025 compared to 0.3 per cent. in the comparable period of 2024.

Net monetary losses

Net monetary losses arising from hyperinflation attributable to the Group's Turkish operations decreased by KD 2 million, or 18.9 per cent., from KD 13 million in the six months ended 30 June 2024 to KD 10 million, reflecting easing inflationary pressures in Turkey and an overall improvement in the country's macroeconomic environment.

Profit for the period

Reflecting the above factors and the Group's taxation charge in each period, the Group's profit for the period attributable to the equity holder of the Bank was KD 21 million in each six-month period.

CAPITAL ADEQUACY

Capital adequacy, financial leverage and the use of various levels of regulatory capital are monitored regularly by Management and are also governed by guidelines of the Basel Committee as adopted by the CBK.

The CBK's Basel III framework consists of three pillars:

- Pillar 1 provides a framework for measuring capital requirements for credit, operational and market risks under the "Standardised Approach";

- Pillar 2 relates to the supervisory review process and emphasises the importance of the Internal Capital Adequacy Assessment Process (**ICAAP**) performed by banks; and

- Pillar 3 aims to complement the capital adequacy requirements under Pillar 1 and Pillar 2 by requiring banks to provide a consistent and understandable disclosure framework which facilitates comparison, thus enhancing the safety and soundness of the banking industry in Kuwait.

The Basel III minimum requirements for capital are underpinned by a leverage ratio that serves as a backstop to the risk-based capital measures. There are also buffer requirements in the form of a capital conservation buffer, a countercyclical capital buffer and an additional surcharge for banks designated as domestic systemically important.

The primary objectives of the Group's capital management policy are to ensure that the Group complies with regulatory capital requirements and that the Group maintains strong credit ratings and healthy capital ratios to support its business and maximise shareholder value.

The table below sets out the Bank's minimum capital requirements expressed as a percentage of risk-weighted assets.

Minimum Capital Requirement	**CET1**	**Tier 1**	**Total**
30 June 2025	10.50%	12.00%	14.00%
31 December 2024	10.50%	12.00%	14.00%
31 December 2023	10.50%	12.00%	14.00%
31 December 2022	9.00%	10.50%	12.50%

Notes:
(1) Includes a CET1 Domestic Systemically Important Bank buffer of 1 per cent.
(2) In response to the COVID-19 crisis, the CET1 Capital Conservation Buffer was 1 per cent. from 1 January 2022 to 31 December 2022. The full 2.5 per cent. was reinstated as of 1 January 2023.

The Bank's minimum total capital requirement is 13.0 per cent, which includes a Capital Conservation Buffer of 2.5 per cent. As a Domestic Systemically Important Bank (D-SIB), the Bank is also required to maintain an additional 1.0 per cent capital surcharge, bringing the total minimum capital requirement to 14.0 per cent.

As at the date of this Base Offering Circular, and for each of the six months ended 30 June 2025 and the years ended 31 December 2024, 2023, and 2022, the countercyclical capital buffer, which ranges from 0 to 2.5 per cent, was not included in the minimum capital requirements. The CBK has not indicated when such a buffer may be required. Should it be mandated in the future, Basel Committee guidelines allow for a 12-month lead period for compliance.

The table below shows the composition of the Group's regulatory capital and its capital ratios as at 30 June 2025 and as at 31 December in each of 2024, 2023 and 2022 (determined in accordance with Basel III as implemented in Kuwait). The reported capital ratios as at interim period-end dates within a year are lower than those for year-end dates as retained year-to-date profit (excluding the interim proposed dividends) are added to the regulatory capital base only at the year-end while asset growth during interim periods is factored into the interim risk weighted asset calculations.

	As at 30 June	**As at 31 December**		
	2025	**2024**	**2023**	**2022**
	(KD thousands, except percentages)			
Total risk-weighted assets[(1)]	**7,506,540**	**7,017,117**	**6,358,901**	**6,433,584**
Common Equity Tier 1 capital[(2)]	874,933	885,040	861,475	697,290
Additional Tier 1 capital[(3)]	162,107	161,432	162,335	154,897
Tier 2 capital[(4)]	267,121	261,671	247,954	231,846

	As at 30 June	As at 31 December		
	2025	2024	2023	2022
	(KD thousands, except percentages)			
Total eligible capital	**1,304,161**	**1,308,143**	**1,271,764**	**1,084,033**
CET1 capital adequacy ratio[5][6]	11.7%	12.6%	13.5%	10.8%
Tier 1 capital adequacy ratio[5][7]	13.8%	14.9%	16.1%	13.2%
Total capital adequacy ratio[5][8]	17.4%	18.6%	20.0%	16.8%

Notes:

(1) Risk-weighted assets are calculated under the standardised approach.

(2) Common Equity Tier 1 capital comprises share capital, share premium, eligible reserves, retained earnings and eligible non-controlling interests net of regulatory adjustments.

(3) Additional Tier 1 capital comprises Perpetual Tier 1 Capital Securities classified as equity and certain additional eligible portion of non-controlling interests.

(4) Tier 2 capital comprises Subordinated Tier 2 Bonds classified as debt, the allowed portions of general provisions and certain additional eligible non-controlling interests.

(5) Calculated in accordance with the requirements of the CBK and the capital adequacy regulations issued by the CBK as stipulated in CBK Circular number 2/RB, RBA/A336/2014 dated 24 June 2014.

(6) Common Equity Tier 1 capital adequacy ratio is defined as Common Equity Tier 1 capital divided by risk-weighted assets at a given date.

(7) Tier 1 capital adequacy ratio is defined as Tier 1 capital resources divided by risk-weighted assets at a given date.

(8) Total capital adequacy ratio is defined as total capital resources divided by risk-weighted assets at a given date.

The Group is also subject to a CBK Basel III financial leverage ratio requirement of 3 per cent. The Group's financial leverage ratio was 11.0 per cent. as at 30 June 2025, 11.9 per cent. as at 31 December 2024, 12.6 per cent. as at 31 December 2023 and 10.9 per cent. as at 31 December 2022.

DESCRIPTION OF THE GROUP

OVERVIEW

The Bank operates principally in Kuwait, where it is licensed as a full-service commercial bank. As at 30 June 2025, the Bank was the second largest conventional commercial bank in Kuwait by total assets (based on the interim condensed consolidated financial information of the Bank and other conventional commercial banks in Kuwait for the six months ended 30 June 2025).

As at 30 June 2025, the Bank's consolidated subsidiaries comprised BBT, AGB, TIB and UGB, operating in Turkey, Algeria, Tunisia and Bahrain, respectively. BBT and AGB each operate as a full-service commercial bank. TIB is licensed as an offshore Bank in Tunisia and UGB is a wholesale conventional bank incorporated in Bahrain and holds 60 per cent. equity interest in KAMCO Investment Company K.S.C.P. (**KAMCO Invest**), one of the largest investment companies in Kuwait.

The Bank, together with its subsidiaries, offers a wide range of commercial banking services to its corporate, private and retail banking customers. As at 30 June 2025, these services were offered through a distribution network of:

- 28 branches and 152 ATMs in Kuwait and a representative office in the UAE through the Bank;
- 66 branches and 105 ATMs in Algeria through AGB;
- 28 branches and 22 ATMs in Turkey through BBT; and
- three branches in Tunisia and a representative office in Libya through TIB.

In addition to its branch network, the Group offers its products and services to customers through digital platforms, including internet and mobile banking, as well as through telephone banking. .

In addition to its subsidiaries, the Bank also conducts international banking activity through correspondent banking relationships and a network of affiliate banks in the KIPCO group (as defined below) (including Jordan Kuwait Bank Public Limited Shareholding Company (**JKB**), FIMBank p.l.c. (**FIMBank**) and BoB).

At the close of trading on the Boursa Kuwait on 30 June 2025, the Bank's share price was KD 0.275, giving it a market capitalisation of KD 1.0 billion.

As at the date of this Base Offering Circular, the Bank had the following credit ratings:

- Standard & Poor's: BBB+ for long-term issuer credit rating, with a stable outlook;
- Moody's: Baa1 for long-term bank deposits rating, with a stable outlook;
- Fitch: A for long-term issuer default rating, with a stable outlook; and
- Capital Intelligence: A+ for long-term foreign currency rating and A1 for short-term foreign currency rating, with a stable outlook.

HISTORY

The Bank was incorporated on 27 December 1975 in Kuwait by an Amiri Decree and is registered with the Ministry of Commerce and Industry under Commercial Registration No. 24067. The Bank is also registered in the register of banks maintained by the CBK. The Bank's registered office is Burgan Tower, Al Sharq – Abdullah Al Ahmed Street, P.O. Box 5389, Al Safat 12170, Kuwait, Tel: +965 2298 8000.

The Bank was listed on the Boursa Kuwait on 29 September 1984.

As part of Kuwait's privatisation initiative across the banking industry, the Bank was privatised in 1997. The Government reduced its ownership in the Bank from 61.0 per cent. to less than 10.0 per cent. As part of the privatisation, KIPCO, a multi-sector operating holding company headquartered in Kuwait with operating entities across the GCC and the wider MENAT region, acquired a majority shareholding in the Bank. Following the change in ownership structure, the Bank realigned its strategic focus in line with the overall strategy of KIPCO and changed its management style from that of a government-owned entity to a private sector, profit-orientated entity. As at 30 June 2025, KIPCO had a consolidated direct and indirect shareholding of 64.6 per cent. in the Bank and the Government had a direct and indirect shareholding of less than 10.0 per cent.

In mid-2008, KIPCO undertook a strategic reorganisation of its financial services businesses (the "Reorganisation"), streamlining them into three principal segments: commercial banking, asset management, and investment banking and insurance. As part of the Reorganisation, the Bank was developed into a regional commercial banking group through acquisitions of stakes in JKB, AGB, BoB, and TIB.

Accordingly, in July 2008, the Bank acquired from UGB a 43.9 per cent. interest in JKB, which, together with the 7.2 per cent. previously held by the Bank, resulted in a controlling 51.2 per cent. equity interest in JKB. In 2009, the Bank acquired a 60.0 per cent. interest in AGB (subsequently increased to 91.1 per cent. in 2010 and later reduced to 86.01 per cent. in 2015) and a 45.3 per cent. interest in BoB (subsequently increased to 51.8 per cent. in 2010). During the second quarter of 2010, the Bank acquired a 76.6 per cent. stake in TIB, which, together with the 10 per cent. previously held by the Bank, resulted in a controlling 86.7 per cent. equity interest in TIB.

In December 2012, the Bank acquired a 99.3 per cent. equity stake in the Turkish bank Eurobank Tekfen from Eurobank EFG. Subsequent to the acquisition, the bank was rebranded as Burgan Bank A.Ş. in January 2013.

On 30 December 2015, the Bank completed the sale of its 51.2 per cent. controlling stake in JKB to Al Rawabi United Holding K.S.C.C. (**Al Rawabi**), for KD 191.1 million, resulting in a gain of KD 6.5 million.

In 2023, the Bank completed the sale of its shareholding in BoB to JKB and a 52 per cent. shareholding in BBT to Al Rawabi. Although the Bank's shareholding in BBT following the sale is 47.6 per cent., the Bank continues to consolidate BBT because it holds a majority of the voting rights and representation on BBT's board of directors.

In February 2025, the Bank acquired 100 per cent. of UGB from United Gulf Holdings B.S.C. (UGH) at a purchase price of U.S.$190 (KD 58.6 million).

STRATEGY

In 2023, following a comprehensive review of the Bank's strategic priorities, market positioning and technological capabilities, the Bank launched its new strategy aimed at driving sustainable growth, enhancing operational efficiency and creating long-term value for its stakeholders. The Bank also redefined its vision, sharpening its strategic focus, to be "***the most modern and progressive bank in Kuwait, driven by its employees, customers and community***". Aligned with this vision, the Bank's strategy is designed to strengthen its competitive position in Kuwait, leverage technological innovation and selectively pursue growth opportunities in high-potential international markets.

The Bank's strategy is structured around three core pillars:

- strengthening the Kuwait business;

- asset reallocation; and
- digital transformation,

underpinned by a continued emphasis on organisational culture, brand equity, risk management and the adoption of international best practice.

Strengthen the Kuwaiti business

The Bank is focused on strengthening its competitive position across corporate, private and retail banking businesses in Kuwait through targeted customer expansion, innovative products and services within defined risk parameters and advanced technology platforms for efficient product distribution.

In corporate banking, the Bank is pursuing sector-focused growth to diversify its portfolio and capture emerging market opportunities. In private banking and wealth management, it aims to deliver best-in-class offerings for high-net-worth individuals (**HNWI**s) and select premier clients, supported by a dedicated private banking brand and enhanced wealth management capabilities. In retail banking, the Bank's offerings are being optimised through targeted customer segmentation, product innovation and branch network rationalisation. The Bank continues to expand its financial institution business and streamline treasury operations, focusing on funding efficiency, liquidity management and cross-selling opportunities.

The Bank is also committed to advancing its sustainability agenda by integrating environmental, social and governance (**ESG**) principles across all operations and embedding climate-related risk considerations into its risk management framework. Its initiatives are aligned with international standards and reinforce the Bank's ESG pillars of good governance, responsible banking, community betterment and environmental impact reduction, supporting long-term value creation for stakeholders while promoting sustainable business practices.

Asset re-allocation

The Bank is pursuing a disciplined growth strategy focused on the reallocation of capital from higher-risk jurisdictions to markets with stronger growth prospects and more favourable risk-adjusted returns. This strategy encompasses the divestment of non-core assets, the optimisation of legacy portfolios and the selective redeployment of capital into sectors and geographies with sustainable growth potential. These initiatives are designed to strengthen the Bank's competitive position, diversify its revenue streams and support long-term shareholder value creation.

In line with this strategy, during 2023 the Bank completed targeted divestments, including the sale of its 51.8 per cent. shareholding in BoB and a 52.0 per cent. shareholding in BBT. In the first quarter of 2025, the Bank further executed its strategy through the acquisition of UGB. This acquisition is expected to enhance the Bank's capabilities in Islamic finance and investment services and to generate additional fee-based revenue streams through UGB's established platforms in asset management, brokerage and investment banking. These transactions collectively underscore the Bank's commitment to disciplined capital reallocation and growth in line with its risk-adjusted return objectives.

Digital transformation

The Bank is accelerating the digital transformation of its operations, driven by a commitment to innovation, customer-centricity and operational excellence. This transformation is exemplified by the successful launch of "ON" in Turkey, a digital banking platform that reflects the Bank's broader ambition to deliver a seamless, "anytime, anywhere, any channel" banking experience.

In response to rising expectations from a digitally native and tech-savvy customer base, the Bank is focusing on creating convenient, secure and personalised digital experiences across all customer touchpoints. A key

strategic priority is the migration of transactional activities to online channels, enabling customers to perform routine banking activities more efficiently while reducing physical branch dependency.

To support this shift, the Bank is investing in advanced analytics, artificial intelligence (**AI**) and machine learning (**ML**) to personalise product and service offerings, optimise customer journeys and anticipate and meet emerging financial needs. By embedding AI and ML technologies into its digital ecosystem, the Bank is increasing the adoption of digital services, strengthening customer engagement and satisfaction and enhancing operational efficiency to support long-term, sustainable growth.

This digital advancement is being pursued within a framework of strong risk management and compliance standards, ensuring that innovation is aligned with regulatory expectations and best practices.

In summary, the Bank's strategy is designed to strengthen leadership in the domestic market, pursue targeted international expansion and create sustainable value for shareholders through disciplined execution, innovative solutions and operational excellence.

STRENGTHS

The Group's strengths include its:

- **Well-established regional presence and growing international network**: Through a combination of its own branches, representative offices and subsidiaries, the Group is present in six countries across the MENAT region. The Group has one of the largest regional branch networks, with 125 branches across Kuwait, Turkey, Algeria and Tunisia as at 30 June 2025. The Bank enjoys a dominant position in Kuwait where it was the second largest conventional commercial bank by total assets (based on the interim condensed consolidated financial information of the Bank and other conventional commercial banks in Kuwait for the six months ended 30 June 2025). The Bank believes that its international expansion, including its recent acquisition of UGB, position the Group well to capitalise on growth opportunities in its key markets.

- **Strong financial, liquidity and capital positions and prudent risk management**: The Bank's historical performance reflects a consistent focus on executing its strategy, achieving growth and delivering sustainable profitability while maintaining robust asset quality and resilient capital levels. The Bank has delivered stable and resilient financial results over the years, supported by balanced growth across its franchises, particularly in Kuwait.

  As at and for the year ended 31 December 2024, the Group reported total assets of KD 8,158 million and profit for the year of KD 46 million, representing year-on-year growth of 9.9 per cent. and 6.6 per cent., respectively, compared to total assets of KD 7,426 million and profit for the year of KD 44 million as at and for the year ended 31 December in 2023. Loans and advances to customers increased by 5.5 per cent. to KD 4,471 million as at 31 December 2024 compared to KD 4,237 million as at 31 December 2023, driven mainly by the Kuwait loan portfolio. Deposits from customers increased by 9.9 per cent. to KD 4,903 million as at 31 December 2024 from KD 4,463 million as at 31 December 2023, supported by a 4.8 per cent. increase in current account and savings deposits, despite elevated interest rates and a competitive market environment.

  Asset quality remained strong as of 31 December 2024, with the NPL ratio improving to 1.8 per cent., supported by a risk provision to NPLs of 161.9 per cent. Capital adequacy also remained healthy, with a common equity tier 1 (**CET1**) ratio of 12.6 per cent. and a total capital ratio (**CAR**) of 18.6 per cent., both comfortably above the regulatory minimum requirements of 10.5 per cent. and 14.0 per cent. Liquidity levels were well maintained, with a liquidity coverage ratio (**LCR**) of 153 per cent. and a net stable funding ratio (**NSFR**) of 116 per cent., both exceeding the minimum regulatory threshold of 100 per cent.

More recently, the Group has continued to demonstrate resilient asset growth. As at 30 June 2025, total assets increased by 6.8 per cent. to KD 8,716 million from the level at 31 December 2024. Loans and advances to customers increased by 3.3 per cent. to KD 4,621 million from the level at 31 December 2024 and deposits from customers increased by 9.3 per cent. to KD 5,361 million from the level at 31 December 2024, reinforcing the Group's stable and diversified funding base.

The Group's profit for the period attributable to equity holders of the Bank for the first six months of 2025 was KD 21 million, reflecting operational stability compared to the same period in 2024. Its capital metrics remained comfortably above regulatory requirements, with a CET1 ratio of 11.7 per cent. and a CAR of 17.4 per cent. Liquidity was also strong, with an LCR of 225 per cent. and an NSFR of 113 per cent.

The Bank paid dividends of 6 fils per share for both 2024 and 2023, alongside a 5 per cent. bonus share issuance in each year. Building on its strong foundation, the Bank believes the Group's solid financial, liquidity and capital positions, along with its prudent risk management, position it well to capture new opportunities in the MENAT region.

- **Stable funding base**: The Group's funding includes institutional, government and quasi-government deposits in Kuwait, which are contracted on a commercial basis, and are regarded by the Bank as relatively stable and a low-cost source of funding. As at 30 June 2025, the Group's total funding from deposits by government and quasi-governmental entities accounted for 11.1 per cent. of its total deposits (deposits from customers and due to other financial institutions) in Kuwait and 8.5 per cent. of total Group deposits. As at 30 June 2025, 70.1 per cent. of the Group's total assets were funded by deposits from customers and due to other financial institutions, 7.2 per cent. by due to banks, 7.3 per cent. by other borrowed funds (including certificates of deposit issued), 3.4 per cent. by other liabilities and the balance by its capital and reserves.

- **Culture of excellence and commitment to training and development of personnel**: The Bank has fostered a strong, customer-focused culture across the Group which underpins its operational performance and long-term strategy. This culture is embedded in the recruitment, selection, learning and development and performance evaluation processes for both employees and counterparties.

  To support this, the Bank has implemented comprehensive training and development programmes for domestic and international staff, reinforcing its belief that investing in people is a key competitive advantage. All employees operate under personal performance objectives aligned with the Bank's strategic goals and core values.

  The Bank has launched several programmes including "Burgan Beacon" to recognise and encourage individuals who go the extra mile in their contributions, "Burgan Cares" to sponsor graduate employees pursuing further education and "Burgan Lab Academy" and "Ro'ya Future Leaders" to develop high-potential Kuwaiti talent. These initiatives demonstrate the Bank's commitment to a performance-driven, inclusive and values-led organisational culture.

- **Experienced management team and commitment to corporate governance**: All members of the Board and the Bank's executive management team (the **Executive Management**) have extensive knowledge of the banking sector in Kuwait and the MENAT region and bring with them a wealth of experience in leading financial institutions with an international presence, see "*Management*" below. Further, the Board and Executive Management believe that corporate governance is a matter of vital importance and a fundamental part of the business practices of the Group and that the combination of an existing team of highly experienced professionals, coupled with best practice corporate governance standards, positions the Group well for future growth. The Bank is committed to the maintenance of a strong corporate governance practice and framework. The Bank's governance aims to ensure that the Bank is effectively managed and that financial industry standards and the Kuwaiti Stock Exchange and CBK requirements are fully met. The governance framework, which is underpinned by the

corporate governance manual and related policies, clearly delineates the separate roles of the Board and Executive Management. The Board Corporate Governance Committee (**BCGC**) monitors developments in the governance area and updates its governance practices to ensure that the Bank continues to maintain the most appropriate standards of governance.

GROUP STRUCTURE AND OWNERSHIP

Group structure

The Group principally comprises the Bank and four subsidiaries. The table below shows the principal operating subsidiaries of the Bank as at 30 June 2025 and 31 December 2024.

	Country of incorporation	Date of initial purchase	Effective holding as at 30 June 2025	Effective holding as at 31 December 2024
			(*per cent.*)	(*per cent.*)
BBT	Turkey	December 2012	47.6	47.6
AGB	Algeria	April 2009	86.01*	86.01*
TIB	Tunisia	June 2010	86.7	86.7
UGB	Bahrain	February 2025	100.0	—

Note:
* The Bank directly owns 60 per cent. of AGB and TIB owns 30 per cent. As the Bank holds 86.7 per cent. of TIB, its total effective ownership in AGB is 86.01 per cent.

In addition, the Bank owns 100 per cent. of Burgan Bank Financial Services Limited, a UAE company that provides financial advisory services.

Principal shareholders

As at 30 June 2025, the Bank's principal shareholders (being those that had holdings exceeding 5.0 per cent. of the Bank's issued ordinary share capital) were:

Shareholders	Number of ordinary shares owned (*millions*)	Percentage of total
Kuwait Projects Company Holding K.S.C.P.	1,274.7	33.5
United Gulf Holding Company B.S.C.	571.1	15.0
Public Institution for Social Security	295.9	7.8
Kuwait United Consulting Company	282.8	7.4

Kuwait Projects Company Holding K.S.C.P. **(KIPCO)**

KIPCO was incorporated in 1975 and is today recognized as one of the leading investment holding companies in the Gulf Cooperation Council (GCC) and the broader Middle East and North Africa (MENA) region. Guided by its vision to be an agile and value-driven investment holding company within its core markets, KIPCO focuses on long-term growth, portfolio optimisation, and value creation for its stakeholders.

KIPCO's strategy is centered on realigning and rebalancing its portfolio of investments, enhancing the operational and financial performance of its key portfolio companies, and pursuing selective, value-accretive investment opportunities. The company follows a disciplined approach of acquiring or establishing businesses, supporting their development and expansion, and selectively divesting when compelling opportunities arise.

With an experienced management team and long-standing relationships across the region—strengthened by the support of its principal shareholders, including members of Kuwait's ruling family—KIPCO leverages unique regional insights and networks to drive sustainable growth.

As a diversified holding company, KIPCO's investments span multiple sectors, including financial services (commercial banking, asset management, and investment banking), food and consumer services, petrochemicals and oilfield services, real estate, healthcare, education, and logistics. This broad sectoral exposure positions KIPCO as a resilient and dynamic player in the regional investment landscape.

Business Overview

The Group, for management purposes, organises its operations on a geographic basis, with a primary distinction between domestic and international territories. Operations outside Kuwait are classified as International, while its domestic operations are structured into the following business segments:

- corporate and consumer banking (**CCB**);
- treasury, FI and investment banking (**Treasury & IB**); and
- central office.

The table below illustrates the relative significance of the Group's operations in terms of their net interest income, segment operating results, profit or loss for the year, total assets and total liabilities as at, and for the year ended, 31 December 2024.

	Kuwait operations				**International operations**	**Unallocated/ intragroup transactions**	**Group total**
	CCB	***Treasury & IB***	***Central office***	***Total***			
				(*per cent.*)			
Net interest income.....	54.7	3.1	(8.0)	**49.8**	50.2	—	**100.0**
Segment operating result	46.2	4.8	(5.2)	**45.8**	54.2	—	**100.0**
Profit (loss) for the year..	100.3	7.7	(44.0)	**63.9**	35.2	0.9	**100.0**
Total assets	48.0	17.3	12.3	**77.5**	24.8	(2.4)	**100.0**
Total liabilities.....	39.3	12.9	26.2	**78.4**	24.2	(2.6)	**100.0**

In February 2025, the Bank acquired 100 per cent. of UGB which also forms part of the international operations. The table below shows the relative significance of the Group's Kuwait and international operations in terms of their net interest income, segment operating results, profit or loss for the year, total assets and total liabilities as at, and for the six months ended, 30 June 2025.

	Kuwait operations				**International operations**	**Unallocated/ intragroup transactions**	**Group total**
	CCB	***Treasury & IB***	***Central office***	***Total***			
				(*per cent.*)			
Net interest income.....	43.0	4.0	(6.7)	40.3	59.7	—	**100.0**
Segment operating result	37.5	5.9	(0.4)	43.0	57.0	0.0	**100.0**
Profit (loss) for the period	105.6	14.7	(35.3)	85.1	12.3	2.7	**100.0**
Total assets	45.8	17.1	10.7	73.6	29.4	(3.0)	**100.0**
Total liabilities.....	36.7	9.7	28.9	75.3	27.9	(3.2)	**100.0**

Kuwait operations

In the six months ended 30 June 2025, the Group's Kuwait operations generated 40.3 per cent. of the Group's net interest income, 43.0 per cent. of its operating profit and 85.1 per cent. of its profit for the period. In 2024, the Group's Kuwait operations generated 49.8 per cent. of the Group's net interest income, 45.8 per cent. of its operating profit and 63.9 per cent. of its profit for the year. The Kuwaiti operations are divided into three operating segments, CCB, Treasury & IB and Central office.

CCB

In the six months ended 30 June 2025, CCB generated 43.0 per cent. of the Group's net interest income and 37.5 per cent. of its operating profit. In 2024, CCB generated 54.7 per cent. of the Group's net interest income and 46.2 per cent. of its operating profit.

Through CCB, the Bank provides a comprehensive range of products and services to both corporate and individual clients, including lending, deposits, trade services, foreign exchange and advisory services, credit and debit cards and other tailored financial solutions. CCB comprises three business units: the Corporate Banking (**CB**), the Private Banking and Wealth Management (**PBWM**) and the Retail Banking (**RB**):

CB

CB plays a leading role in supporting Kuwait's commercial and industrial sectors, with a proven track record in financing large-scale infrastructure, petrochemical and industrial projects through syndicated and bilateral facilities.

CB serves a diversified client base across key sectors including services, oil & gas, energy, contracting, trading and real estate. Its strong partnerships with government entities, combined with long-standing private sector relationships, ensure both stability and sustainable growth.

The division delivers tailored financial solutions that address the evolving needs of corporates, ranging from large enterprises to small- and medium-size enterprises (**SME**s). It actively participates in financing infrastructure projects and supports client expansion through both organic and inorganic opportunities. In addition, CB is driving innovation through new digital banking capabilities. By aligning with Kuwait's development priorities, it continues to contribute to the country's long-term economic growth and client success.

PBWM

PBWM offers a comprehensive suite of tailored services for HNWI and ultra-HNWI. It combines traditional banking, lending and deposit products with investment advisory, portfolio management and wealth planning solutions designed to preserve and grow client wealth while maintaining prudent risk management. Clients benefit from access to dedicated relationship managers who provide bespoke investment strategies across asset classes, including fixed income, equities, sukuk and funds, aligned with individual goals, risk tolerance and liquidity needs.

In 2024, the Bank launched a refreshed brand identity for PBWM, underscoring its strategy of "building trust and growing wealth." This initiative expanded the division's capabilities with new licenses from the CMA, enabling the Bank to act as custodian, investment advisor, portfolio manager and unregistered securities broker. These developments position PBWM as a full-service platform able to deliver end-to-end wealth management solutions within the Bank.

The offering also extends beyond investment to exclusive products and privileges that elevate the client experience. Bespoke cards, concierge services and lifestyle benefits are integrated with financial solutions to strengthen long-term relationships. With these enhancements, PBWM continues to evolve as a core pillar

of the Bank's strategy to deepen engagement with affluent clients and expand its wealth management footprint in Kuwait and the wider region.

RB

The Bank, through RB, offers a comprehensive range of products and services designed to meet the evolving needs of its customers. These include savings and deposit accounts, customer loans and a full suite of credit, debit and pre-paid cards. The Bank periodically reviews and recalibrates its product offerings to ensure alignment with customer requirements. Its card portfolio comprises MasterCard and Visa credit cards, Visa debit cards and a multi-currency pre-paid card.

The Bank is committed to customer-centric strategies, enhancing its premium products while improving service delivery efficiency across all customer touchpoints. To strengthen its market position in Kuwait, the Bank has implemented several key initiatives, including:

- focused customer segmentation;
- revamped and tailored customer offerings;
- streamlined processes and deployment of additional digital features and functionalities; and
- recalibrated risk appetite framework for the retail business, reinforcing risk controls.

As at 30 June 2025, the Bank operated 28 branches and 152 ATMs in Kuwait, with plans for further strategic expansion. Complementing its physical network, the Bank's digital and alternative banking channels, including online banking, mobile applications, WhatsApp and 24/7 telephone banking, provide customers with convenient, secure and seamless access to banking services. These channels enable the efficient execution of payments, submission of requests and resolution of enquiries, delivering a fully integrated banking experience beyond traditional branch locations.

Treasury & IB

In the six months ended 30 June 2025, Treasury & IB generated 4.0 per cent. of the Group's net interest income and 5.9 per cent. of its operating profit. In 2024, Treasury & IB generated 3.1 per cent. of the Group's net interest income and 4.8 per cent. of its operating profit.

Treasury & IB is responsible for all treasury operations, investment services and management, as well as banking services provided to financial institutions. It offers a comprehensive suite of products and services to banks and other financial institutions, including money market operations, lending, deposits, foreign exchange and related financial solutions.

Treasury & IB primarily comprises two business units within the Bank: Treasury & Financial Institutions and Investments

Treasury and Financial Institutions

The Treasury and Financial Institutions business unit is responsible for all domestic and international wholesale market transactions (together with other customer-related transactions) and for managing the Bank's proprietary portfolio. It caters to institutional relationships with banks and/or non-banking financial institutions, optimising key financial institution and correspondent banking relationships.

The business unit is actively involved in the management of the financial market risks on the Bank's balance sheet, sourcing efficient and secure funding, providing risk solutions, managing foreign exchange and the management of customer and interbank relationships. Treasury & Financial Institutions comprises Asset

and Liabilities Management, Fixed Income and Debt Capital Market, Money Market and FX Trading units and a Treasury Sales desk.

Treasury & Financial Institutions focuses on developing mutually beneficial relationships with other banks, both locally and abroad, to avail services on behalf of the Bank's customers by enhancing the Bank's international presence and awareness. Specifically, Treasury & Financial Institutions seeks to increase its contribution to the Bank's performance by participating in risk-appropriate lending opportunities, providing trade finance and correspondent banking services to support the Bank's customers and enhance fee income. Treasury & Financial Institutions also explores funding opportunities by sourcing medium-term borrowing facilities that improve the Bank's funding base.

Investments

Investments focuses on enhancing the Bank's returns by managing a diversified proprietary investment portfolio of listed and private equity securities.

A comprehensive top-down approach is followed to determine asset selection using a wide array of factors and within the Board-approved policies and procedures and regulatory requirements. The risk/reward parameters are well-defined for each type of investment portfolio.

Central office

In the six months ended 30 June 2025, Central Office generated negative 6.7 per cent. of the Group's net interest income and an operating loss of 0.4 per cent. In 2024, Central Office generated negative 8.0 per cent. of the Group's net interest income and an operating loss of 5.2 per cent.

Central Office activities include liquidity and funding management and any residual in respect of transfer pricing and other unallocated activities.

International operations

In the six months ended 30 June 2025, the Group's International operations generated 59.7 per cent. of the Group's net interest income, 57.0 per cent. of its operating profit and 12.3 per cent. of its profit for the year. In 2024, the Group's International operations generated 50.2 per cent. of the Group's net interest income, 54.2 per cent. of its operating profit and 35.2 per cent. of its profit for the year. The Group's international operations principally comprise the activities of its international subsidiaries, BBT, AGB, TIB and UGB.

The table below provides certain financial measures for each of BBT, AGB and TIB as at, and for the year ended, 31 December 2024. These figures reflect the pre-consolidation amounts for each entity.

	BBT	AGB	TIB
		(*KD million*)	
Year ended 31 December 2024			
Revenue	70.8	45.2	8.2
Operating profit	27.5	26.8	5.9
Total net income	4.9	9.4	3.5
As at 31 December 2024			
Total assets	1,033.4	848.5	142.8

The International Banks Office (**IBO**) is responsible for overseeing and monitoring the performance of the Group's subsidiaries and affiliates. The IBO ensures that these entities operate in alignment with the Group's overall vision and strategic direction, while maintaining full compliance with applicable regulatory requirements. By adopting a strategic, data-driven and fact-based approach, the IBO fosters constructive synergies and promotes effective collaboration across the Group's international banking entities.

In fulfilling its mandate, the IBO ensures the effective implementation, communication and management of Group-wide initiatives. It provides informed recommendations to the Group Chief Executive Officer (**GCEO**), senior management and, where relevant, the Board or their representatives, considering international financial and economic market developments that may affect the Group's holdings. The IBO also maintains close coordination with independent control functions to ensure robust and ongoing oversight of the Group's subsidiaries.

BBT

BBT was originally established in 1989 as Tekfen Yatırım Finansman Bankası A.Ş. (Tekfen Investment Finance Bank Inc), providing corporate, commercial, SME and retail banking services. In 2006, the Tekfen Group entered into a strategic partnership with Eurobank EFG, resulting in the rebranding of the bank as Eurobank Tekfen. In December 2012, the Bank acquired a 99.3 per cent. stake in Eurobank Tekfen and subsequently rebranded it as Burgan Bank A.Ş. In December 2023, the Bank sold a 52 per cent. shareholding in BBT to Al Rawabi. As at 30 June 2025, the Bank's shareholding in BBT was 47.6 per cent. BBT continues to be consolidated as a subsidiary, reflecting the Bank's effective control which is exercised through representation on BBT's board of directors.

BBT serves clients through a network of branches supported by robust digital banking platforms, including its flagship digital brand "ON." BBT provides a comprehensive suite of products, including corporate and investment banking, commercial-financial solutions, wealth management and retail banking services such as deposits, loans and cards. Its strategic priorities focus on client centricity, operational and technological excellence and sustainable shareholder value creation.

BBT is strategically positioned to strengthen its role as a private, digital-focused bank. Key initiatives include enhancing customer onboarding, launching new mobile applications and credit card products and expanding its digital platform. BBT is also focusing on broadening its ultra-HNWI investment offerings, introducing insurance solutions and delivering new digitised trade finance and cash management products, with a continued emphasis on digital transformation and sustainability.

BBT has three wholly owned subsidiaries: Burgan Yatırım Menkul Değerler A.Ş., a securities institution active in brokerage, corporate finance and asset management within the Turkish capital markets, Burgan Finansal Kiralama A.Ş., which conducts leasing operations and Burgan Teknoloji Anonim Şirketi", a non-financial technology subsidiary focusing on research and development and innovation.

In 2024, BBT's awards included:

- International Business Magazine's awards for Most Innovative Digital Banking Services and Most Reliable Digital Banking Service Provider in Turkey;
- Global Brands' award for Best Digital Bank Turkey; and
- World Business Outlook's awards for Best Digital Bank Turkey and Best Mobile Banking Services Provider Turkey.

In 2024, BBT had pre-consolidation revenue of KD 70.8 million, operating profit of KD 27.5 million and total net income of KD 4.9 million. As at 31 December 2024, BBT's pre-consolidation total assets amounted to KD 1.0 billion.

As at 31 December 2024, BBT had a network of 26 branches and 19 ATMs and a total of 1,505 employees. As at 30 June 2025, BBT's network had expanded to 28 branches and 22 ATMs, with a total of 1,543 employees.

AGB

AGB is a commercial bank established in December 2003. In 2009, Burgan Bank acquired a 60.0 per cent. interest in AGB. Burgan Bank's effective shareholding in AGB has since increased to 86.01 per cent., comprising a direct ownership of 60.0 per cent. and an indirect ownership through its 86.7 per cent. stake in TIB, which in turn holds a 30.0 per cent. interest in AGB. This structure results in an effective ownership of 86.01 per cent. in AGB.

AGB has developed a robust retail and corporate banking platform, offering a comprehensive suite of products and services across conventional banking, Shari'a-compliant financing supported by innovative digital banking solutions. This dual financial offering positions AGB to effectively capitalise on emerging market growth opportunities.

AGB's strategic vision is to establish itself as a benchmark institution by combining customer-centric service, innovation and financial inclusion, underpinned by operational excellence and prudent risk management. AGB aims to reinforce its leadership among privately-owned banks in Algeria through digital transformation initiatives, including "FawriPay", a new prepaid and business card offering and an expanded range of Shari'a-compliant products to meet growing demand for Islamic banking. AGB also plans to enhance financing solutions for both businesses and individuals, supporting sustainable growth while maintaining a competitive position in Algeria's dynamic banking sector.

In 2024, AGB achieved ISO 9001 certification for its quality management system covering digital banking services, including online and mobile banking. This certification underscores AGB's commitment to operational excellence and adherence to internationally recognised standards.

In 2024, AGB had pre-consolidation revenue of KD 45.2 million, operating profit of KD 26.8 million and total net income of KD 9.4 million. As at 31 December 2024, AGB's pre-consolidation total assets amounted to KD 848 million.

As at 31 December 2024, AGB operated a network of 66 branches and 105 ATMs, with a total of 1,078 employees. As at 30 June 2025, while the branch and ATM network remained unchanged, the employee base increased to 1,094.

TIB

TIB, a private commercial bank, was established in June 1982 as the first fully licensed offshore banking corporation in Tunisia. It holds a special license allowing it to conduct operations primarily with non-resident clients, making it a niche player in the Tunisian financial sector. The Bank acquired a controlling stake in TIB in the second quarter of 2010 by accquring a 76.6 per cent. interest from UGB, increasing its total ownership from an initial 10.0 per cent. stake to 86.7 per cent.

TIB's business is centred around international and private banking services, with a focus on foreign exchange operations, trade finance, money markets and investment services such as syndication and forfaiting. TIB caters to corporations, governments, financial institutions and HNWIs, particularly those with international exposure. Strategically, TIB's focus on non-resident clients gives it a distinct position in Tunisia's banking landscape.

TIB aims to deliver consistent shareholder returns by emphasising growth in syndicated loans and investment portfolios while maintaining a robust risk profile. TIB intends to explore opportunities to expand its loan and investment portfolio in high-yield segments, leveraging its diversified asset base.

In 2024, TIB accelerated its digital transformation programme by expanding its mobile solutions, automating core processes and improving its cash management system. It also enhanced its risk and compliance framework, refined its risk appetite and bolstered its compliance structure.

TIB's performance has been recognised through several awards. In 2023, it was named "Best Banking Governance – Tunisia" by Capital Finance International, highlighting TIB's commitment to governance, innovation and client service.

In 2024, TIB had pre-consolidation revenue of KD 8.2 million, operating profit of KD 5.9 million and total net income of KD 3.5 million. As at 31 December 2024, TIB's pre-consolidation total assets amounted to KD 143 million.

As at 31 December 2024, TIB operated three branches with 103 employees and, as at 30 June 2025, while its branch network remained unchanged, the employee count increased to 106.

UGB

UGB, established in 1980, operates under a conventional wholesale banking license issued by the Central Bank of Bahrain. In February 2025, the Bank acquired 100 per cent. of the shares in UGB from UGH.

UGB is a leading asset management and investment banking group headquartered in Bahrain, with operations spanning the MENA region. Its proprietary investments encompass commercial banking, real estate, private equity and quoted securities. As at 31 December 2024, UGB's consolidated assets under management amounted to U.S.$16.1 billion, up from U.S.$14.3 billion as at 31 December 2023.

UGB's principal subsidiary is KAMCO Invest, a regional non-banking financial institution established in 1998 and headquartered in Kuwait, with a presence in the UAE, Saudi Arabia, Jordan and the UK. The firm offers a comprehensive range of asset management, investment banking and brokerage services. Leveraging decades of regional expertise, KAMCO Invest manages assets exceeding U.S.$17.1 billion as at 30 June 2025 and has acted as investment banker on transactions worth over U.S.$43.7 billion to date, since its inception, across equity capital markets, debt capital markets, and mergers & acquisitions.

RISK MANAGEMENT

INTRODUCTION

The Bank has an independent Risk Management Group (**RMG**) headed by the Chief Risk Officer (**CRO**) who reports directly to the Board Risk Committee (**BRC**). The RMG does not have any business targets in terms of either levels of business or income/profits to be achieved, with a view to ensuring its objectivity in analysing risks. RMG's mission is to identify, measure and control risks and report on this to management and the BRC and, where relevant, to suggest additional mitigating actions. The Bank has comprehensive risk policy that classifies the risks faced by it in its activities into categories and specific responsibilities have been assigned for the identification, measurement, control and reporting of these identified categories of risks.

The key risk categories include:

(a) **Credit risk**, which includes default risk of clients and counterparties;

(b) **Market risk**, which includes interest rate, foreign exchange, liquidity and equity risks;

(c) **Non-financial risk**, which includes operational risk, business continuity, third-party risk, environmental, social and governance (**ESG**) risk and fraud risk; and

(d) **IT risk**, which includes data protection and cyber-security risk.

(e) Enterprise risk management, includes structured approach used to identify, assess and manage various risks that could impact the Bank's ability to achieve its strategic objective

The operations of the Bank's subsidiaries are also subject to regulatory requirements within the jurisdictions where the subsidiary operates. These regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions (for example, capital adequacy) to minimise the risk of default and insolvency on the part of the subsidiary. Each of the Bank's subsidiaries have an independent risk management function that reports to its Board Risk Committee.

As part of its overall risk management, the Group uses derivatives and other instruments to manage exposures resulting from changes in interest rates and foreign currency transactions. The risk profile is assessed before entering into hedge transactions, which are authorised by the appropriate level of seniority within the Group.

In addition, a stress-testing framework that is commensurate with the Bank's size, locations and nature of activities is in place. Sensitivity and scenario-based approaches to stress testing are used to assess the Bank's vulnerability and the possible impact of negative economic events on its capital. The stress-testing framework is forward-looking and subject to change based on experience and evolving techniques. At least three stress-testing scenarios are applied to arrive at the stressed capital ratios, with a view to ensure that the Bank remains adequately capitalised under stressed conditions during economic down-turns. Stress-testing procedures are in place for credit, market (trading book), interest rate (banking book), liquidity and non-financial risks. Other risks are covered under Internal Capital Adequacy Assessment Plan (**ICAAP**) which has a built-in mechanism to account for forward-looking stressed conditions and is undertaken at both the Group and individual subsidiary levels. Stress testing is carried out on semi-annual basis but may be conducted more frequently when conditions require.

CREDIT RISK

Credit risk management strategy

The Bank's credit policy complies with CBK regulations and outlines the risk appetite of the Bank in its various business groups (corporate banking, private banking and wealth management, retail banking and financial institutions). The credit policy has been developed by the RMG in line with industry best practices, in consultation with the business groups and under the guidance and approval of the Board. Subject to the guidelines of the credit policy, each business group prepares its own business strategy. The credit policy defines lending principles, credit granting and approval processes and the types of products that the various business groups can market to their clients and counterparties. Any new product is required to undergo a specific validation process before its launch.

The Bank's subsidiaries also have their own credit policies based on their local market practices and regulations that govern the granting of credit to clients segmented suitably, subject to the local business environment and the specific requirements applicable in each jurisdiction.

Credit risk structure and organisation

The Bank has also implemented a risk appetite framework adhering to the requirements of the central bank in each jurisdiction in which each of the Bank's subsidiaries operate.

The credit risk function primarily undertakes an independent review of credit proposals submitted by business units by providing views and recommendations on credit proposals. These proposals are approved in accordance with the delegation of powers approved by the Board which requires the recommendation of the concerned business group and an independent enabling opinion from RMG. Although the Board is the ultimate authority for all lending activities, it has, from time to time, delegated the credit approval authority to a sub-committee of the Board (or other delegated authorities) with appropriate governance. These powers are exercised prudently and in line with the general principles of lending.

The credit risk function also manages ongoing portfolio monitoring through various post fact reports and an oversight on provision adequacy and write offs.

The subsidiaries also have similar structures and organisations, subject to their respective local conditions and business environments.

Scope and nature of reporting of credit risk

After the approval of the credit proposal, the credit control function is responsible for checking and ensuring that the conditions precedent for the draw-down of each credit facility as approved are fulfilled before the disbursement of funds to the borrower. This function, which is independent of the business groups, also follows up on the conduct of the accounts by the borrower in accordance with the terms of approval and reports any irregularities for necessary corrective action. This credit control function also ensures that the relevant details for measurement of the risk and allocation of the appropriate risk weights to the exposures are made available in the system or otherwise, so that the computation of risk weighted assets can be made appropriately.

The Bank has implemented Credit Lens for rating its corporate, non-banking financial institution and private banking customer portfolios. The subsidiaries have also implemented this system for rating their wholesale banking customers.

Credit limits

The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or group of borrowers and to geographical and industry segments. These risks are monitored on a regular basis and are subject to regular review. Limits on the level of credit risk by product, industry sector and by country are approved by the Board by the board of each subsidiary, as applicable.

The exposure to any one borrower, including banks and other financial institutions, is further restricted by sub-limits covering items on the consolidated statement of financial position and commitments and contingent liabilities exposures and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily. The Group has a well-documented credit policy that complies with applicable regulations and defines the Group's appetite for assuming risks in its various business groups.

Credit risk arising from derivative financial instruments is limited to those with positive fair values, recorded in the consolidated statement of financial position

Credit risk mitigation

The Bank's credit policy provides guidelines for credit enhancement through availability of collateral to mitigate the risk. This primarily covers the minimum required coverage ratio of acceptable collateral to the loan and the threshold levels for top-up of security. The policy also stipulates the frequency of valuation of different types of collateral and the procedure for liquidation in line with market best practices and regulatory guidelines.

The collateral accepted by the Bank normally comprises cash in the form of deposits with the Bank, shares, bonds, units of mutual funds and various forms of real estate such as vacant land, investment and commercial buildings and projects under construction.

The amount of a secured facility that a borrower can avail is generally based on the valuation of security and the minimum required collateral coverage to be maintained. Additional consideration is also given to the expected cash flows of the customer and income from the assets mortgaged.

The respective credit policies of the subsidiaries also define the acceptable collateral for their respective credit facilities.

Impairment of financial assets

Impairment of financial assets classified as credit facilities is recorded as the higher of ECL on the credit facilities computed under IFRS 9 in accordance with the CBK guidelines or the provisions required by CBK instructions. Credit facilities comprise loans and advances to customers, non-cash credit facilities in the form of bank guarantees, letters of guarantee, documentary letters of credit, bank acceptances, undrawn cash and non-cash credit facilities (revocable and irrevocable).

For details of the Group's ECL calculation methodology, see note 22 to each of the Annual Financial Statements.

Under the instructions of the CBK, credit facilities are classified as past due when a payment has not been received on its contractual payment date or if the facility exceeds pre-approved limits. A financing receivable is classified as past due and impaired when an interest or principal payment is past due for more than 90 days and if the carrying amount of the facility is greater than its estimated recoverable value. Past due and impaired loans and advances to customers are managed and monitored as irregular facilities and are classified into the following four categories which are then used to determine the provisions:

- ***Watch list***: the loans and advances have been irregular for a period of up to 90 days. In these cases, no specific provision is required;

- ***Substandard***: the loans and advances have been irregular for a period of 91to 180 days. In these cases, a specific provision of 20 per cent. is required;

- ***Doubtful***: the loans and advances have been irregular for a period of 181to 365 days. In these cases, a specific provision of 50 per cent. is required; and

- ***Bad***: the loans and advances have been irregular for a period exceeding 365 days. In these cases, a specific provision of 100 per cent. is required.

However, based on the circumstances of a particular exposure, if the Bank considers it necessary, a higher level of specific provision may be made. The instructions of the CBK also require a minimum general provision of 1 per cent. for cash facilities and 0.5 per cent. for non-cash facilities.

The subsidiaries follow their respective applicable regulations in relation to impaired assets and provisioning. When the consolidated financial statements are prepared, the Bank applies the CBK rules on provisioning and any shortfall arising due to the difference between the regulatory requirements of a subsidiary and the CBK regulatory requirements are covered by the Bank at the consolidated level.

Other information relating to credit risk

For details of the Group's maximum exposure to credit risk, its credit risk concentrations and its credit quality by class of financial assets, see note 22 to each of the Annual Financial Statements.

MARKET RISK

Market risk is the risk that the value of an asset will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices, whether those changes are caused by factors specific to the individual investment or its issuer or factors affecting all financial assets traded in the market.

Market risk is managed based on pre-determined asset allocations across various asset categories, diversification of assets in terms of geographical distribution and industry concentration, a continuous appraisal of market conditions and trends and management's estimate of long- and short-term changes in fair value.

The Group's principal market risks are interest rate risk and foreign currency risk.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the fair value or cash flows of the financial instruments. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. This arises due to mismatches or gaps in the amounts of assets and liabilities and off-balance sheet instruments that mature or reprice in any period. The Group manages this risk by matching the repricing of assets and liabilities through risk management strategies.

The Group is exposed to interest rate risk on its interest-bearing assets and liabilities (including treasury bills and bonds with CBK and others, due from banks and other financial institutions, loans and advances to customers, due to banks, due to other financial institutions, deposits from customers and other borrowed funds).

Based on note 22B to the 2024 Financial Statements, a 50 basis point change in interest rates would have increased or reduced the Group's net interest income by KD 5 million in 2024 and KD 7 million in 2023.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group assumes exposure to the effects of fluctuations in the prevailing currency

exchange rates on its financial position and cash flows. The Board sets limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily.

The Group's major foreign currency exposures are to changes in the exchange rate between the dinar and the Algerian dinar, the Turkish lira and the U.S. dollar. Based on note 22B to the 2024 Financial Statements, a 5 per cent. strengthening of the dinar in 2024 (with all other variables held constant) against the level at the start of the year against:

- the Algerian dinar would have increased the Group's profit KD 470 thousand and its equity by KD 5 million;
- the Turkish lira would have increased the Group's profit KD 247 thousand and its equity by KD 5 million; and
- the U.S. dollar would have decreased the Group's profit KD 620 thousand and increased its equity by KD 3 million; and
- Other Currencies would have increased the Group's profit KD 574 thousand with no impact on the equity

LIQUIDITY RISK

Liquidity risk is the risk that the Group will be unable to meet its liabilities when they fall due. It generally arises from either an inadequate liabilities profile or a failure to recognise or address changes in market conditions that affect the ability to liquidate assets quickly and with a minimal loss in value. The primary objective of the Bank`s liquidity risk management framework is to ensure that the Bank has sufficient liquidity to meet its obligations in both normal and stressed conditions without having to make unplanned sales of assets or borrow expensive funds under emergency conditions.

The Board has overall responsibility for liquidity risk management and for ensuring that risk exposures are maintained at prudent levels. To this end, the Board has established an appropriate liquidity risk management framework to manage the Bank's funding and liquidity management requirements. The Board sets the Bank's liquidity risk strategy based on recommendations made by the Asset and Liability Committee (**ALCO**) and reviews and approves liquidity management policies and ensures that senior management manages liquidity risk effectively in the context of the Bank's business plan and long-term funding strategy, considering prevailing economic and financial conditions.

The Board has set limit and tolerance levels for its liquidity risk appetite. The utilisation of these appetite limits is reported to the Board regularly.

The Bank adopts a multi-pronged approach to managing liquidity risk. This involves monitoring and managing liquidity metrics, such as the loans to deposits ratio, maintaining adequate reserves, a portfolio of high-quality liquid assets and banking facilities and the continuous monitoring of forecast and actual cash flows. In addition, the Bank uses liquidity ratios (such as the LCR and NSFR) and liquidity scenarios (behavioural, contractual and stressed) as key metrics to establish its liquidity risk tolerance levels.

These metrics measure the Bank's ability to fulfil all its payment obligations stemming from ongoing business operations under various scenarios. The tolerance levels are defined either in the form of limits or management action triggers and are part of the Bank's overall liquidity management framework which is approved and reviewed by the Board on regular basis.

The Bank's Treasury department is responsible for managing the day-to-day funding within established liquidity risk management policies and limits. It is responsible for maintaining effective communication channels within the Bank's operational and business areas to alert the funding desks of imminent funding

requirements including loan drawdowns, deposit withdrawals and off-balance sheet commitments. Treasury and market risk personnel monitor market developments, understand their implications for the Bank's liquidity risk exposures and recommend appropriate risk management measures to the ALCO.

The RMG periodically reviews liquidity risk policies and procedures, the adequacy of these policies and of the overall liquidity management process, including key assumptions and scenarios used, and reports its findings and recommendations to the ALCO. It also monitors and reports adherence to the various liquidity ratios and limits, both internal and regulatory, on a regular basis.

The Bank's funding strategy is to develop a diversified funding base, while providing protection against unexpected fluctuations. It aims to align sources of funding with their use. As such, earning assets (such as loans and bonds) are largely funded with customer deposits. The funding gap for these assets is met using medium- to long-term debt issuance and other secured or unsecured long- and short-term funding sources.

Note 22C to each of the Annual Financial Statements provides tables showing the maturities of the Group's assets and liabilities.

NON-FINANCIAL RISK The Non-financial risk area covers the risks that are not related to Credit or Market risk such as operational risk, business continuity, third-party risk, environmental, social and governance (ESG) risk and fraud risk.

The Operational Risk department provides oversight across the Bank in order to identify, measure, monitor and control its inherent risk exposures across the Bank's operational business areas at all levels by using different tools such as risk and control assessment, incident management and key risk indicators. The department plays an important role by enabling the Bank to evaluate the key controls, based on identified inherent risks, and to measure any residual risks which remain after the assessment of the effectiveness of these key controls. The Bank's operational risk management policy classifies the various areas of operational risk and assigns responsibility for rectifying these risks according to the three lines of defense model.

The Bank's operational risk management framework sets out the approach for managing operational risks and has been approved by the Board. The operational risk management function is supported by an automated system that manages the process of collecting, storing, analysing, tracking and reporting information relevant to operational losses, risk and control assessments and the management of key risk indicators.

The goal of the operational risk management framework is to provide management with the information needed to be able to make proper decisions regarding the level of operational risks that they are facing. The Bank continues to develop and improve methods and processes for managing operational risk by ensuring a common language for operational risks and controls classification and categorisation.

The business continuity risk function is responsible for coordination of business continuity and disaster recovery activities across the Bank. It conducts the annual business impact analysis exercise with the business groups to assess the criticality of the processes run by the individual departments and the systems and people needed for the continuation of the critical processes during a crisis situation.

The Emerging Risk department considers ESG, third party, end user computing applications and resilience risks faced by the Bank.

In 2024, a fraud unit was established to work on implementing a fraud risk management framework, coordinating fraud investigations and monitoring fraud occurrences across the Bank. A Fraud Risk Management Committee, chaired by the CEO Kuwait, was established in 2024. During 2025, the Bank has also implemented an enterprise-wide fraud risk monitoring system that has enhanced fraud monitoring and response.

Information and cyber security risk

The Bank is committed to maintaining a strong cybersecurity posture through a structured prevention, detection and response strategy implemented across the organisation.

The Bank has adopted an Information Security Management System (**ISMS**) designed to uphold confidentiality, integrity and availability of information. The ISMS is supported by a framework of technical, organisational and administrative policies, procedures and controls covering all asset types, including personnel. The Bank's practices are aligned with international standards and industry-recognised frameworks, including CBK mandates, SWIFT Customer Security Program, Payment Card Industry Data Security Standards (PCI DSS) and ISO-based Information Security Management Systems (ISO-ISMS) and Privacy Information Management Systems (ISO-PIMS).

In line with the CBK Cyber Crisis Strategy, the Bank has established a Cyber Crisis Management Team (**CCMT**), led by the CEO Kuwait, to ensure executive oversight and coordinated response during cyber incidents. The CCMT plays a key role in managing cyber crisis events with executive-level support, complemented by the Cyber Security Incident Response Team, which comprises cross-functional subject matter experts who monitor, identify, isolate and escalate cyber threats to ensure timely and effective response.

As part of its risk management framework, the Bank applies the Three Lines of Defense model to strengthen governance and accountability in managing information security risks. This structure enables clear separation of responsibilities: operational teams serve as the first line, implementing controls and managing risks directly; risk and compliance functions form the second line, providing independent oversight and guidance; and internal audit acts as the third line, offering assurance through objective evaluation. This layered approach enhances visibility, promotes informed decision-making and supports a more resilient security posture. Residual risks, including cyber risks, are addressed through defined treatment plans, which may include risk transfer mechanisms such as dedicated cyber insurance coverage.

Enterprise Risk Management

The Group has established a comprehensive Enterprise Risk Management ("ERM") framework designed to safeguard its financial strength and to support the achievement of its strategic objectives. This structured framework enables the Group to systematically identify, assess, monitor, and manage the full spectrum of risks inherent in its business activities which may impact its ability to achieve its strategic and operational objectives.

The ERM framework is anchored by the Group's Risk Appetite Framework, which defines clear parameters for risk-taking in alignment with its strategic priorities and applicable regulatory requirements. Key risk indicators are subject to ongoing monitoring and regular reporting, thereby ensuring that potential and emerging risks are promptly identified, evaluated, and addressed. The framework further provides for the dynamic and timely recalibration of risk appetite thresholds, enabling the Group to respond proactively to developments in the operating, market, and regulatory environment.

Through this disciplined and integrated approach to risk management, the Group seeks to strengthen its resilience, safeguard stakeholder interests, and support the long-term sustainability of its franchise.

MANAGEMENT AND EMPLOYEES

The Board consists of eleven directors. The Bank's articles of association provide that each director is elected at an ordinary general meeting of shareholders for a three-year term and is eligible for re-election upon expiration of such term. The Board has the power to appoint and remove the GCEO at any time provided there is a quorum of six directors.

The Board holds at least six meetings annually, with at least one meeting every quarter called by the Chairman. The Board may also hold meetings if called by at least three directors. To be valid, a Board meeting must be attended by at least half the members of the Board and attendance may not be by proxy. In 2024, the Board held eight meetings.

BOARD OF DIRECTORS

The following table sets out the names, titles and date of first appointment of the members of the Board as at the date of this Offering Circular.

Name	Title	Board member since
Abdullah Nasser Sabah Al Ahmad Al Sabah	Chairman	2022
Faisal M. Sarkhou	Vice Chairman	2022
Abdulkareem El-Kabariti	Member	2004
Fouad Husni Douglas	Member	2019
Abdullah Mohammed AlSharekh	Member	2022
Jamal Abdullah Dashti	Member	2023
Moustapha Samir Chami	Member	2025
Michel A. Accad	Member	2022
Sager Abdullah Al Sharhan	Member – Independent	2022
Abdulaziz Saad Al Rashed	Member – Independent	2023
Osama Rashed Saqer Al Armeli	Member – Independent	2025

The business address of each of the directors is Burgan Bank K.P.S.C., Burgan Tower, Al Sharq – Abdullah Al Ahmed Street, P.O. Box 5389, Al Safat 12170, Kuwait. There are no potential conflicts of interest between the duties owed to the Bank by the persons listed above and their private interests or other duties.

Sheikh Abdullah Nasser Sabah Al Ahmad Al Sabah

Sheikh Abdullah Nasser Sabah Al Ahmad Al Sabah was appointed Chairman of the Board in 2022.

Professional experience and board directorships

- Vice Chairman of KAMCO Invest
- Vice Chairman at KIPCO
- Chairman at UGB

Academic qualifications

- Royal Military Academy, Sandhurst, UK
- BSc in Business Administration, New York Institute of Technology, USA

Mr. Faisal M. Sarkhou

Mr. Faisal M. Sarkhou was appointed Vice Chairman of the Board in 2022.

Professional experience and board directorships

- CEO of KAMCO Invest
- Vice Chairman of The Union of Investment Companies of Kuwait
- Board Member at Kuwait Direct Investment Promotion Authority
- Board Member at Kuwait Clearing Company

Academic qualifications

- BSc Economics degree with honors from the University of Birmingham, UK
- EMBA with distinction from HEC Paris, France

H.E Abdelkarim Kabariti

H.E Abdulkareem El-Kabariti was appointed to the Board in 2004.

Professional experience and board directorships

- Previous member of the Jordanian Senate - Head of the Economics and Finance Committee
- Chairman of AGB
- Vice Chairman of BBT
- Board Member at BoB
- Board Member at Gulf Insurance Group – Kuwait

Academic qualifications

- Bachelor's degree in Business Administration with Honors from St. Edwards University- Austin, Texas, USA
- Honorary Doctor of Business Administration (Hon DBA), from Coventry University – United Kingdom

Mr. Fouad Husni Douglas

Mr. Fouad Husni Douglas was appointed to the Board in 2019.

Professional experience and board directorships

- Former Partner and Board member at PWC
- Former Board Member at Burgan Bank Turkey
- Former Partner at Ernst and Young
- Former Partner at Arthur Anderson

Academic qualifications

- Bachelor's of Business Administration American University of Beirut, Lebanon
- MBA from American University of Beirut, Lebanon

Mr. Sager Abdullah Al Sharhan

Mr. Sager Abdullah Al Sharhan was appointed to the Board in 2022.

Professional experience and board directorships

- Chairman & CEO of Al Mutatawera Services Holding Company
- Board member at Private Universities Union
- Secretary Board Member at Australian University Industrial Advisory
- Board Member at Saudi Makamin
- Former chairman and Managing Director of Al Dorra Petroleum Company and also Managing director of the Metal and Recycling Company.

Academic qualifications

- Mechanical Engineering degree, from the University of Kuwait.

Mr. Michel A. Accad

Mr. Michel A. Accad was appointed to the Board in 2022.

Professional experience and board directorships

- Executive General Manager (Group Chief Executive Officer) of BANKMED
- Former Chief Executive Officer of Ahli Bank of Kuwait
- Former CEO for Gulf Bank of Kuwait
- Former Assistant CEO for Arab Bank PLC
- Chairman of BankMed Suisse and T-Bank
- Board member of BankMed
- Board member of ABK-Egypt and Al-Ahli Capital Investment Company
- Board member of Europe Arab Bank, Arab Tunisian Bank and Arab Invest

Academic qualifications

- MBA from the University of Texas at Austin, USA.
- Bachelor's degree in Business Administration, from the American University of Beirut, Lebanon.

Mr. Abdullah Mohammed AlSharekh

Mr. Abdullah Mohammed AlSharekh was appointed to the Board in 2022.

Professional experience and board directorships

- Managing Director of Markets & Investment Banking at Kamco Investment Co. KSC
- Vice Chairman at First Securities Brokerage Company KSC

Academic qualifications

- Dual BA in Economics and Public & Private Sector Organisations from Brown University, USA
- Dual MBA in Finance and Entrepreneurial Management from The Wharton School, University of Pennsylvania, USA.

Mr. Abdulaziz Saad Al Rashed

Mr. Abdulaziz Saad Al Rashed was appointed to the Board in 2023.

Professional experience and board directorships

- Chairman & CEO of Al Rashed Group Holding Co.

- Chairman of STORK Mechanical Services & Maintenance Co.
- Chairman of Solutions and Services to Oil & Gas, Power and Petrochemical Industry.
- Vice Chairman of Al Qibla International Real Estate Co.
- Board Director at Saffar Capital – U.A.E. Financial Services
- Board Director at Kalaam Telecom – Bahrain.
- Board Director at Al Rashed International Shipping Co.
- Director at Smith International Gulf Services – Kuwait Service & Products Provider for Oil & Gas Industry
- Trustee at The Will of Late Abdulaziz Abdulmohsen Al Rashed.

Academic qualifications

- Bachelor's degree in Business Administration from Eastern Washington University U.S.A.
- Diplomas in Financial Analysis, Investment Risk Management and Capital market

Mr. Jamal Abdullah Dashti

Mr. Jamal Abdullah Dashti was appointed to the Board in 2023.

Professional experience and board directorships

- Founder and CEO of Nomad Entertainment
- Vice Chairman of Credit One Kuwait Holding Company
- Former member of the Founding Board of Directors of Warba Bank Kuwait.

Academic qualifications

- Bachelor's degree in Economics from the American University in Washington DC, USA

Mr. Osama Rashed Saqer Al Armeli

Mr. Osama Rashed Saqer Al Armeli was appointed to the Board in 2025.

Professional experience and board directorships

- Board Member in KFIC Invest Co., Kuwait.
- Board Member in Kuwait National Cinema Co., Kuwait.
- Former Member in Kuwait Stock Exchange Committee.

Academic qualifications

- BSc in business administration from Modern Academy, Egypt
- Advanced Diploma in Banking Sciences from the Institute of Banking Studies, Kuwait

Mr. Moustapha Samir Chami

Mr. Moustapha Samir Chami was appointed to the Board in 2025.

Professional experience and board directorships

- Deputy Group CFO – Kuwait projects Co. (KIPCO).
- Board member at Jordan Kuwait Bank
- Board member at Burgan Bank - Turkey
- Board Member at Bank of Baghdad

Academic qualifications

- Masters of Business Administration (MBA), USJ University, Lebanon.
- Bachelor of Business Administration, USJ University, Lebanon
- CPA, Certified Public Accountant (USA).
- CFA, Chartered Financial Analyst (USA).
- CMA, Certified Management Accountant (USA).

CORPORATE GOVERNANCE

Key Board Committees

The following summarises the objectives and duties of the principal Board committees. In some cases, the detailed implementation of a committee function is delegated to a subcommittee on an ad hoc or ongoing basis.

Board Risk Committee (BRC)

The Board Risk Committee is primarily responsible for reviewing and reporting to the Board on the Bank's current and future risk strategy and tolerance, supervising the implementation of this strategy by Executive Management, and ensuring the presence of effective and independent risk management systems. The BRC provides consultation to the Board on risk strategy, oversees the independence and effectiveness of risk management functions, ensures that all material risks affecting the Bank and its subsidiaries are identified, and reviews stress testing results to recommend corrective actions. The committee is also responsible for appointing the Chief Risk Officer, subject to Board approval, and fostering a risk-aware culture that supports the Bank's business objectives and internal control systems.

The BRC consists of three members:

- Mr. Osama Al Armeli – Committee Chair (Independent);
- Mr. Fouad Douglas; and
- Mr. Moustapha Al Chami.

Board Nomination & Remuneration Committee (BNRC)

The Board Nomination & Remuneration Committee is responsible for overseeing Board member nominations, verifying the independence of independent Board members, and reviewing the Board's structure annually. It conducts annual performance evaluations of the Board and its members, develops a Bank-wide reward policy in compliance with applicable laws and regulations, and ensures Board members receive necessary training to enhance their skills and experience. The BNRC is responsible for appointments of the senior Executive Management positions, ensuring that these positions are occupied by qualified employees along with setting performance standards and succession plans.

The BNRC consists of three members:

- Mr. Sager Al Sharhan – Committee Chair (Independent);
- Mr. Faisal Sarkhou; and
- Mr. Michel Accad (Independent).

Board Corporate Governance Committee (BCGC)

The Board Corporate Governance Committee is responsible for assisting the Board in establishing the Bank's corporate governance manual and policies, overseeing their implementation, and conducting periodic reviews to ensure their effectiveness. The BCGC ensures the Bank's organisational structure provides appropriate supervision from both the Board and Executive Management, monitors compliance with regulatory requirements and the governance framework, and recommends structures and procedures to maintain Board independence and prevent conflicts of interest. The committee also ensures the approval and implementation of the related parties policy, regularly reviews compliance with the Bank's whistleblowing policy, and safeguards the rights of shareholders and stakeholders.

The BCGC consists of four members:

- Sh. Abdullah Al Sabah – Committee Chair;
- Mr. Osama Al Armeli (Independent);
- Mr. Abdullah Al Sharekh; and
- Mr. Jamal Dashti.

Board Audit Committee (BAC)

The Board Audit Committee is responsible for establishing and overseeing the adequacy of the Bank's internal controls and audit functions, as well as ensuring compliance with relevant laws, regulations, policies, and codes of business conduct and ethics. Its duties include comprehensive oversight of internal and external audit activities, reviewing and supervising the sufficiency of the Group Internal Control Office across the Bank, and ensuring the integrity of the Bank's periodic financial statements and reports before they are presented to the Board. The BAC also monitors the Bank's adherence to applicable laws, policies, and codes of conduct, and ensures compliance with disclosure rules and other financial reporting and legal requirements.

The committee consists of four members:

- Mr. Abdulaziz Al Rashed – Committee Chair (Independent);
- H.E Abdulkarem Kabariti;
- Mr. Moustapha Al Chami; and
- Mr. Fouad Douglas.

The Board Credit and Investment Committee (BCIC)

The Board Credit and Investment Committee is responsible for overseeing the Bank's lending, credit recovery, and investment activities, making recommendations to the Board within its delegated authorities, and implementing Board decisions. Its duties include reviewing credit proposals to ensure compliance with applicable rules and regulations, overseeing credit recovery efforts, and monitoring the exercise of delegated authorities in line with the Bank's approved authorisation matrix. The BCIC also supervises the rules and regulations governing related parties, including credit granted to Board Members and related parties, reviews the Bank's investment policies and approval processes, and ensures that investment activities are implemented in accordance with approved policies.

The committee consists of four members:

- Mr. Faisal Sarkhou - Committee Chair;
- Mr. Abdullah Al Sharekh;
- Mr. Michel Accad (Independent); and
- Mr. Sager Al Sharhan (Independent).

EXECUTIVE MANAGEMENT

The following table sets out the names of the members of the Bank's executive management as at the date of this Offering Circular.

Name	Title
Antoine Jean Daher	Group Chief Executive Officer
Fadel Mahmoud Abdullah	Chief Executive Officer – Kuwait
Khalid Fahed Al Zouman	Chief Financial Officer
Andrew Christopher Singh	Chief Risk Officer
Venkatakrishnan Menon	Chief Operating Services Officer
Naqeeb Hamed Amin	General Manager – Human Resources & Development Group
Mahmoud Mohamed Ezzat Moursi	General Manager – Legal Group
Mohammad Najeeb Al-Zanki	General Manager – Corporate Banking
Abdullah Abdulmajeed Marafie	General Manager – Treasury & Financial Institutions
Meshari Abduljalil Shehab	General Manager – Private Banking & Wealth Management
Manaf Khaled AlMenaifi	Acting General Manager –Retail Banking
Mohammad Abdullah AlZayed	General Manager – Operations
Barrak Jassem AlMattar	General Manager – Information Technology
Danah Faisal AlJasem	General Manager of Corporate Communications
Huda Fahad Al Shemmari	General Manager – International Banks Office
Saud Al Hadbah	General Manager – General Services Administration
Reham Essa Sultan	Deputy General Manager – Compliance Group
Hamad Abdulhadi Al-Fadalah	Deputy General Manager – Anti Financial Crimes Group
Abdullah Mahmoud Al Osta	Deputy General Manager – Board Secretariat & Corporate Governance
Mishary Yousef Al-Essa	Deputy General Manager – Investments
Omar Khaled Khalifou	Deputy General Manager – Digital Transformation

The business address of each member of the Bank's executive management is Burgan Bank K.P.S.C., Al Sharq – Abdullah Al Ahmed Street, Burgan Tower, P.O. Box 5389, Al Safat 12170, Kuwait. There are no potential conflicts of interest between the duties owed to the Bank by the persons listed above and their private interests or other duties.

Mr. Antoine Jean Daher – Group Chief Executive Officer

Mr. Daher joined the Bank in 2023, bringing over 26 years of industry experience.

Professional experience & memberships

- Chief Executive Officer - Gulf Bank
- Deputy Chief Executive Officer - Gulf Bank
- General Manager for Domestic Corporate Banking - National Bank of Kuwait
- Head of International Unit - National Bank of Kuwait
- Several positions in Project Finance, Structured Finance, Corporate Banking, and Capital Markets - National City Bank

Academic qualifications

- MBA, Case Western Reserve University, Ohio, USA
- Bachelor of Science in Civil Engineering, Cleveland State University, USA

Mr. Fadel Mahmoud Abdullah – Chief Executive Officer - Kuwait

Mr. Abdullah joined the Bank in 1998 and has over 35 years of experience.

Professional experience & memberships

- Chairman, Burgan Bank Financial Services Ltd - Dubai International Financial Center - (Current)
- Board Member, Burgan Bank Turkey (Current)
- Chief Corporate Banking Officer - Burgan Bank
- General Manager, Corporate Banking - Burgan Bank
- Head of Investment and Real Estate Unit, Burgan Bank

Academic qualifications

- Bachelor of Science degree in Mathematics, Kuwait University

Mr. Khalid Fahed Al Zouman – Group Chief Financial Officer

Mr. Al Zouman joined the Bank in 2000 and has over 36 years of experience.

Professional experience & memberships

- Chief Financial Officer - Burgan Bank
- Head of Risk Management - Burgan Bank
- Various Senior Financial Management roles - Ernst & Young, Kuwait and USA

Academic qualifications

- Bachelor's degree in Computer Science, Kuwait University
- Certified Public Accountant (CPA), State of New Hampshire, USA

Mr. Andrew Christopher Singh – Chief Risk Officer

Mr. Singh joined the Bank in 2015 and has over 36 years of experience.

Professional experience & memberships

- Regional Head of Enterprise Risk for Europe - Credit Suisse
- Regional Head of Risk Americas - Depfa Bank Plc
- Group Chief Risk Officer - EFG Hermes Holding for MENA region
- Various Risk and Control related roles- JP Morgan Asia Pacific and UK

Academic qualifications

- Bachelor of Science degree in Chemistry, Imperial College, London
- Associate of the Royal College of Science in Management Science

Mr. Venkatakrishnan Menon – Chief Operating Services Officer

Mr. Menon joined the Bank in 2005 and hasover 39 years of experience.

Professional experience & memberships

- Chief Center of Excellence - Burgan Bank
- Group Chief Operations & Information Technology Officer - Burgan Bank
- Chief Retail Banking Officer - Burgan Bank
- Head of Operations - Burgan Bank
- Senior Management roles - QNB, BNP Paribas, Standard Chartered Bank and HDFC Bank

Academic qualifications

- MBA, University of Mumbai, India
- Bachelor's degree in Science, University of Mumbai, India

Mr. Naqeeb Hamed Amin - General Manager - Human Resources & Development Group

Mr. Amin joined the Bank in November 2023 and has over 27 years of experience.

Professional experience & memberships

- General Manager, Human Resources - Ahli United Bank
- Group Director, Human Resources - International Turnkey Systems
- Director, Human Resources - Dasman Diabetes Center
- Director, Human Resources - Zain

Academic qualifications

- Bachelor's degree in Management, University of South Carolina, USA
- Executive Development programmes - Harvard Business School, London Business School and University of Oxford

Mr. Mahmoud Mohamed Moursi – General Manager - Legal Group

Mr. Moursi joined the Bank in 2018 and has over 33 years of experience.

Professional experience & memberships

- Senior Counsel - CMA Commissioners' Counsel, Capital Markets Authority Kuwait
- Executive Director, Legal & Market Supervision - Boursa Kuwait
- Chief Legal Counsel - Burgan Bank
- Lawyer (Egypt) & Senior Legal Counsel (Kuwait)
- Participated in drafting many laws and bylaws such as Companies law and its bylaws, Public Private Partnership (PPP) Law, Commercial Licenses Law and its bylaws and the Restructure and Bankruptcy law

Academic qualifications

- Bachelors of Law (LL.B), Cairo University, Egypt

Mr. Mohammad Najeeb Al-Zanki - General Manager - Corporate Banking

Mr. Al Zanki joined the Bank in 2010 and has over 19 years of experience.

Professional experience & memberships

- Assistant General Manager, Corporate Banking & FID - Burgan Bank
- Head of Contracting Unit, Corporate Banking - Burgan Bank
- Various Managerial roles – Commercial Bank of Kuwait
- Kuwait Investment Authority (KIA) Program
- Various roles in Investment and Real Estate – Al Tijaria Group (Commercial Real Estate)

Academic qualifications

- Bachelor of Science in International Business Administration (Cum Laude), University of Baltimore, USA
- Executive Development programs, Harvard Business School and INSEAD (Alumni Status)

Mr. Abdullah Abdulmajeed Marafie - General Manager - Treasury & Financial Institutions

Mr. Marafie joined the Bank in 2014 and has over 24 years of experience.

Professional experience & memberships

- Deputy General Manager, Investments & Treasury - Burgan Bank
- General Manager, Treasury Department - QNB
- Various Senior Management roles, Treasury & Investment - Gulf Bank
- Board Member, Real Estate Facilities Investment Co. (Current)
- Board Member, The Gulf Capital Market Association (Current)
- Board Member, 91 Springboard (Former)

Academic qualifications

- Bachelor of Electrical Engineering, Cornell University, Ithaca, USA
- Executive Development programs- Harvard Business School

Mr. Meshari Abduljalil Shehab - General Manager - Private Banking & Wealth Management

Mr. Shehab joined the Bank in 2023 and has over 21 years of experience.

Professional experience & memberships

- Deputy General Manager of Private Banking & Wealth Management - Ahli United Bank.
- Assistant General Manager of Priority Banking, Wealth Management & Business Banking – Gulf Bank
- Senior Management roles in Retail & Affluent Banking, Investments and Product Development

Academic qualifications

- Executive Master of Business Administration, American University of Beirut, Lebanon
- Bachelor's Degree in Finance, University of Miami, USA
- General Management Program (GMP) from Harvard Business School, USA

Mr. Manaf Khaled Al-Menaifi - General Manager (Acting) - Retail Banking

Mr. Al Menaifi joined the Bank in 2020 and has over 23 years of experience.

Professional experience & memberships

- General Manager, Strategic Planning & Monitoring - Burgan Bank
- Director General - National Fund for SME Development
- Principal - INVESTCORP
- Executive Roles in Corporate Finance - KFH, NBK, & CBK
- Board Member - K-Net (Current)
- Advisory Board Member - Gulf University for Science & Technology (Current)

Academic qualifications

- EMBA, London Business School
- Bachelor's degree in Business Administration MIS, Northeastern University Boston, USA
- Executive Development Program, Harvard Business School

Mr. Mohammad Abdullah Al Zayed - General Manager - Operations

Mr. Al Zayed joined the Bank in 2009 and has over 26 years of experience.

Professional experience & memberships

- Head of Operations - Burgan Bank
- Unit Head, Centralized Funds Transfer & Swift Operations - Burgan Bank
- Various Operational roles - Kuwait Investment Authority and HSBC Middle East
- Assistant Communications Engineer - Ministry of Defense

Academic qualifications

- Diploma in Electronic Communication Engineering
- Senior Executive Leadership program - Harvard Business School

Mr. Barrak Jassem Al-Mattar - General Manager - Information Technology

Mr. Al Mattar joined the Bank in 2023 and has over 23 years of experience.

Professional experience & memberships

- IT General Manager - Kuwait International Bank
- Enterprise Solutions Group Leader - EQUATE Petrochemical Company
- Board Member, SAP USER Group, MENA (Current)
- Advisory Board Member, Australian University, Kuwait (Current)
- Advisory Board Member, KFAS digital transformation (Current)
- Advisory Board Member, IDC (Current)

Academic qualifications

- Bachelor of Science degree in Management Information Systems, Kuwait University
- Six Sigma - (Green Belt) Certification

Ms. Danah Faisal AlJasem - General Manager - Corporate Communications

Ms Al Jasem joined the Bank in 2025 and has over 20 years of experience.

Professional experience & memberships

- General Manager of Corporate Communications - Kuwait Telecommunications Company (STC)
- Vice President of Strategic Marketing & Public Relations- KAMCO Invest
- Early career roles - The World Bank, Washington DC

Academic qualifications:

- Bachelor's degree in Management Information Systems, The George Washington University (School of Business)
- Executive Leadership programmes with McKinsey, INSEAD, and IE business school

Mrs. Huda Fahad Al Shemmari - General Manager - International Banks Office

Mrs. Al Shemmari joined the Bank in 2003 and has over 31 years of experience.

Professional experience & memberships

- General Manager International Operations Office - Burgan Bank
- General Manager, Operations Strategic Development - Burgan Bank
- Chief of Staff & Head of Strategic Business Development - Burgan Bank
- Member, Chartered Institute of Securities & Investment - (Current)

Academic qualifications

- MBA in Financial Management & BSc in General Studies - Southeastern University, USA
- Bachelor of Arts in English Language & Literature, Arab Open University
- Certified Credit Manager & Business Continuity Management MBCI
- Certified Internal Controls Auditor – Institute of Internal Controls – CICA

Mr. Saud Abdulaziz Al-Hadbah - General Manager - General Services Administration

Mr. Al Hadbah joined the Bank in 2010 and has over 25 years of experience.

Professional experience & memberships

- Assistant General Manager of General Services Administration - Burgan Bank
- Manager of Security and Maintenance Department - Al Ahli Bank of Kuwait
- Head of Central Control Room - Ministry of Interior

Academic qualifications

- Bachelor's degree in Civil Engineering, University of Toledo, Ohio, USA
- Maintenance Planning, Control and Documentation Certification

Ms. Reham Essa Sultan - Deputy General Manager - Compliance Group

Ms. Sultan joined the Bank in 2007 and has over 27 years of experience.

Professional experience & memberships

- Group Head - Compliance and Acting Head of AFC - Burgan Bank
- Group Head - Compliance - Burgan Bank

- Senior Management Roles in Risk and AFC - Burgan Bank
- Senior Management Roles in Credit Risk and Human Resources - Bank of Kuwait & the Middle East (Ahli United Bank; Now KFH)

Academic qualifications

- Bachelor's degree of Science in Industrial Engineering, Kuwait University
- Anti-Money Laundry & Counter Terrorism Financing Certification - Ernst & Young
- Certified Compliance Manager - National Skills Institute

Mr. Hamad Abdulhadi Al-Fadalah - Deputy General Manager - Anti Financial Crimes Group

Mr. Al Fadalah joined the Bank in 2023 and has over 20 years of experience.

Professional experience & memberships

- Deputy General Manager- Anti-Financial Crimes (MLRO) - Burgan Bank
- Assistant General Manager, Group AML and CFT Effectiveness - Kuwait Finance House
- Senior Management roles in Retail Banking - National Bank of Kuwait

Academic qualifications

- Bachelor's degree in Computer Science and Software Engineering, October 6 University, Egypt
- Executive Development programs from Harvard Business School
- PMI-RMP Risk Management / ACAMS / Lean Six Sigma (Black Belt) Certification
- Integrated Risk Management (Cambridge Judge Business School) Certification

Mr. Abdullah Mahmoud Al Osta - Deputy General Manager – Board Secretariat & Corporate Governance

Mr. Al Osta joined the Bank in 2017 and has over 30 years of experience

Professional experience & memberships

- Board member, BAC Chairman and BRC Member, UNICAP Investment & Finance (Current)
- Chief Executive Officer - Iskan International Real Estate Development Co. (Former)
- General Manager, Board Secretary - Al Ahli Bank of Kuwait (Former)
- Board member, Credit One Holding Co. - (Former)
- Board member, Kuwait Reinsurance Co. - (Former)

Academic qualifications

- Bachelor's degree in business from Grand View College, Iowa, USA

Mr. Mishary Yousef Al-Essa - Deputy General Manager - Investments

Mr. Al Essa joined the Bank in 2024 and has over 15 years of experience.

Professional experience & memberships

- Vice President of Alternative Investments - KAMCO Invest
- Assistant Vice President of Corporate Finance and Advisory - Arab Investment Company
- Several positions in Alternative Investments - NBK Capital
- Board Member, First Education Holding and at Middle East Payment Services - (Current)
- Advisory Committee Member, HQ Capital Auda Co-Investment Fund III - (Current)

Academic qualifications

- MBA, MIT Sloan School of Management, USA
- Chartered Financial Analyst, CFA® Institute
- Bachelor of Computer Engineering, Kuwait University

Mr. Omar Khaled Khalifouh - Deputy General Manager - Digital Transformation

Mr. Khalifouh joined the Bank in 2024 and has over 19 years of experience.

Professional experience & memberships

- Assistant General Manager, Digital Transformation & Data Intelligence - Kuwait International Bank
- Executive Manager, Digital Transformation - Warba Bank
- Chairman, Al-Awsat AlOula Holding (Former)
- Board Member, Middle East Financial Brokerage Co (Former)
- Senior Director - Financial Brokerage

Academic qualifications

- Bachelor's degree in Business Administration Major Accounting from Kuwait University
- Executive Development programs at MIT, Chicago Booth, and Harvard Kennedy School
- Certified Agile Leader and full-stack development in various modern development frameworks

Key Management Committees

The following summarises the objectives and duties of the principal management committees.

Management Executive Committee (MEXCO)

MEXCO serves as the principal forum for management action within the Bank. Its primary purpose is driving strategic alignment and reviewing overall performance against the strategic objectives while identifying and coordinating effective responses to emerging developments, opportunities and threats.

MEXCO is responsible for addressing significant management-level issues across all departments that are not more appropriately handled by other management committees. It also oversees and supervises the activities of the Bank's other management committees by reviewing their meeting minutes and reports, providing guidance and taking corrective action when necessary. The committee has 23 members representing the Executive Management of the Bank and is chaired by the GCEO.

Management Product and Pricing Committee (MPPC)

MPPC is responsible for reviewing and approving new product and service proposals, material modifications to existing product and service offerings and adjustments to pricing structures such as fees, commissions, charges and interest rates. In addition, the committee oversees the performance of products and services throughout their lifecycle, monitors associated risks that may impact customer experience and the Bank's reputation. MPPC is also responsible for reviewing decisions to discontinue products, assessing changes in customer eligibility criteria and ensuring all product/service approvals align with Board-approved policies, ethical standards and applicable regulatory requirements. MPPC has 8 members and is chaired by the Chief Executive Officer – Kuwait.

Provision Assessment Committee (PAC)

PAC is responsible for monitoring the credit provisioning process to ensure the Bank maintains a robust and compliant provisioning system. Its key duties include overseeing the monitoring of provisioning

requirements for the credit lending portfolio in accordance with CBK regulations and the requirements of other relevant authorities. It is also tasked with ensuring provisions and expected credit losses are made for both cash and non-cash credit portfolios in line with IFRS 9 and CBK guidelines. PAC's key duties include reviewing internal credit classifications and stage movements. The committee also discusses client credit concerns with business units, reviews updates on loan restructurings, collections and legal actions, and forecasts potential provisions for each quarter. Additionally, PAC reviews and justifies amounts to be written off before making recommendations to the Board or its authorised sub-committees. PAC has 9 members and is chaired by the GCEO.

Management Procurement Committee (MPC)

MPC is responsible for approving vendor proposals as per the Bank's defined authority limits, strategy and any applicable regulatory requirements. It reviews the Bank's group-wide purchasing strategy and ensures compliance with procurement strategies and policies. MPC also ensures adherence to vendor selection and evaluation procedures. Additionally, MPC reviews issues submitted by the procurement department and approves the suspension or termination of contracts it has awarded. MPC has 4 members and is chaired by the Bank's Chief Operating Service Officer.

Asset and Liability Committee (ALCO)

ALCO oversees, manages and controls all risks related to asset and liability management for the Bank. ALCO's strategic objective is to augment the long-term profitability of the Bank through the considered allocation of resources while maintaining an acceptable level of risk in line with the Bank's objectives. ALCO is responsible for reviewing key policies and risks related to interest rates, foreign exchange, funding, liquidity securitisation and stress testing. ALCO defines management targets for assets and liabilities alignment with profitability goals, makes strategic recommendations to the Board and monitors compliance with regulatory and internal gap limits. The committee meets monthly, with meeting minutes reported to the Board. It has 10 members and is chaired by the GCEO.

Suspicious Transaction Reporting Committee (STRC)

STRC is responsible for reviewing cases of suspicious transactions reported to it and making the final decision on whether these cases should be reported to the Kuwait Financial Intelligence Unit. Additionally, STRC facilitates the identification and resolution of any differing views to ensure unified and well-considered decisions. The committee has 3 members and is chaired by the Deputy General Manager - Anti Financial Crimes Group.

Information Technology Steering Committee (ITSC)

ITSC is responsible for directing the effective use of IT in achieving the Bank's business strategy and establishing priorities for utilising the Bank's IT resources to support delivery of the business. The ITSC reviewas and monitors IT strategic planning, demand management, budget planning and technology trends. It identifies and addresses IT-related risks and mitigation strategies that could impact the Bank. The ITSC is also responsible for overseeing the alignment of information and cyber security/IT policies, processes and practices with applicable laws, regulations and industry standards to ensure the organisation remains compliant. ITSC has 12 members and is chaired by the GCEO.

Management Credit and Investment Committee (MCIC)

MCIC is responsible for reviewing, approving within its authority and recommending to the BCIC credit and investment proposals, credit recovery and investment activities, ensuring adherence to associated regulatory requirements and supervising the application of the Bank's rules and guidelines in this regard. MCIC monitors the performance of credit and investment portfolios and assesses lending quality, recovery of delinquent loans, expected losses and provisioning requirements in line with IFRS standards. It advises BCIC on significant credit risk issues, legal proceedings and non- performing loan restructurings and

rescheduling programmes as applicable. MCIC ensures adherence to CBK and other regulatory requirements as required. MCIC has 4 members and is chaired by the GCEO.

Management Environmental Social and Governance Committee (MESGC)

MESGC is responsible for developing and integrating ESG and sustainability guidelines into the Bank's operations, ensuring proper implementation with adequate resource allocation. It oversees the ESG strategy formulation and implementation while reviewing progress against set ESG objectives. Additionally, MESGC oversees development and execution of ESG action plans, reviews ESG risks assessments and ensures ESG reporting to all stakeholders in compliance with applicable standards and regulations. MESGC has 9 members and is chaired by the Chief Executive Officer- Kuwait.

Executive Management Risk Committee (EMRC)

EMRC is responsible for overseeing the Bank's risk management framework by reviewing current and emerging risks, monitoring adherence to the defined risk appetite and ensuring effective execution of the Bank's risk strategy. EMRC's responsibilities include ensuring the existence of effective risk management systems for implementation of the risk strategy, while safeguarding the independence of the risk function and fostering a strong risk culture across the Bank. EMRC also reviews and approves the Bank's stress scenarios, stress testing frameworks, ICAAP results, assessing the outcomes and deciding on corrective actions as required. EMRC has 17 members and is chaired by the GCEO.

Fraud Risk Committee (FRC)

FRC is responsible for providing oversight on the management of fraud risks within the Bank. The FRC is responsible for ensuring the effectiveness of the fraud risk management framework and its alignment with the Bank's overall risk management framework. FRC is also responsible for reviewing significant fraud cases and recommending appropriate actions to mitigate fraud risks and is mandated with monitoring fraud risk metrics, including risk appetite and emerging fraud trends in the Bank, Kuwait and the wider region while ensuring adequate awareness training across the Bank. FRC has 9 members and is chaired by the Chief Executive Officer- Kuwait.

EMPLOYEES

As at 30 June 2025 and 31 December 2024, the Group had 3,798 and 3,674 employees, respectively, excluding outsourced staff.. The Bank's philosophy is to be the most progressive bank in Kuwait, driven by its employees, customers and community. In 2024, the Bank embarked on a cultural transformation, beginning with a strategic alignment session for the top 25 senior leaders in which the Bank identified key workstreams and pillars that would serve as the foundation for the transformation. This was followed by a leadership summit that brought together its top 100 leaders to collaborate on developing action plans to implement the vision. The transformation is being driven through three priority workstreams, enhanced performance management, focused change management and improved employee recognition.

Incentive plans and incentive pay brief

To foster a high-performance culture and drive sustainable business growth, the Bank has established a comprehensive suite of incentive schemes. These schemes are designed to recognise and reward employees for their contributions, align individual objectives with organisational goals and support talent retention across all business lines. The incentive framework is regularly reviewed to ensure competitiveness, fairness and compliance with regulatory requirements.

Performance Bonus

The Performance Bonus scheme is designed to reward employees based on their annual performance outcomes and overall contribution to the Bank's success. Key aspects include:

- ***Annual Appraisal***: Bonus eligibility and quantum are determined through a rigorous annual performance appraisal process, which incorporates both quantitative and qualitative metrics.
- ***Reward Pool Approval***: The total pool for performance rewards is proposed by Management, reviewed by the BNRC and approved by the Board as appropriate, ensuring robust governance and alignment with shareholder interests.
- ***Transparency and Communication***: Criteria for bonus allocation are clearly communicated to all employees to promote understanding and trust in the process.

Long-Term Incentive Plan (LTIP)

The LTIP is tailored for senior executives and is designed to drive long-term value creation, leadership stability and prudent risk-taking. Key elements include:

- ***Deferral Structure***: Awards are structured with a deferral component, in line with regulatory requirements and best practices in risk management and corporate governance.
- ***Performance Metrics***: LTIP payouts are contingent on the achievement of multi-year financial and strategic objectives, fostering alignment with the Bank's long-term vision.
- ***Retention and Succession***: The LTIP supports retention of key talent and succession planning for critical leadership roles.

The Bank also has in place incentive programmes to accelerate revenue growth such as the Retail Banking Incentive Programme and the Private Banking & Wealth Management Incentives Programme.

Initiatives and programmes

The Bank's key initiatives include:

- **Kuwaitisation**: the Bank continues its commitment to Kuwaitisation with a Kuwaitisation ratio of 86 per cent. in 2024. In 2024, 89.4 per cent. of the new hires were Kuwaiti nationals. The Bank's Kuwaitisation in leadership roles was 86.3 per cent. and it was 78.9 per cent. in senior and middle management roles in 2024. The Bank's commitment to attracting Kuwaiti talent was recognised by the "Highest Talent Acquisition" award by the American University of the Middle East in 2024.
- **Performance and recognition**: In 2024, the Bank launched a new framework for performance management emphasising performance differentiation, a key to identifying high performers, providing targeted development and addressing performance gaps. This supports the Bank's ongoing cultural transformation, ensuring that variable rewards, including bonuses, are linked directly to performance outcomes in a transparent and equitable manner.
- **Talent development and succession planning**: In 2024, the Bank advanced talent development through initiatives including full-stack training for new Kuwaiti hires with CODED Academy and the Ro'ya Future Leaders programme for graduates. The Bank engaged in key initiatives including Kafaa (with CBK/KIBS and Harvard University), cybersecurity and risk leadership programmes, a Kuwaiti graduates development programme, scholarships and women leadership programmes with leading global schools. It also launched the Investment & Wealth Management Academy with Fitch Learning, training 30 relationship managers. Overall, the Bank delivered 32,800 training hours in 2024, focusing on role-based, high-impact learning.
- **Employee wellbeing**: The Bank reinforced its commitment to employee well-being with initiatives promoting work-life balance and growth. Measures included shorter Thursday hours, birthday leave, revised staff loan terms and extended paternity leave. Wellness efforts featured a blood donation drive, health seminars and the Rock Your Habits campaign promoting healthy

lifestyles. Creative programmes like The Rock Art Hour supported entrepreneurial ventures, while an in-house medical clinic at the head office improved healthcare access.

COMPLIANCE, AUDIT, INTERNAL CONTROL AND ANTI-MONEY LAUNDERING AND COUNTER-FINANCING OF TERRORISM

Compliance

Compliance is an essential focus of the Group. The Compliance Department reports directly and independently to the BCGC.

The Compliance department acts as a link between the Bank and regulatory authorities and provides support to the Board and executive management through its role in achieving the Bank's vision, mission and goals. The Compliance department sets the rules and controls for all disclosure activities and provides updates in relation to regulatory requirements. It also assists other parts of the Bank by providing clarifications and interpretations in relation to applicable regulatory requirements.

Internal Audit Group

The Internal Audit Group (**IAG**) provides independent, risk-based and objective assurance, advice and insight to the BAC and senior management regarding the effectiveness of governance, risk management and internal controls across the Group. Its purpose is to strengthen the Bank's ability to create, protect and sustain value by identifying and mitigating current and emerging risks, enhancing control culture and supporting the achievement of organisational objectives. The IAG conducts systematic reviews of Group businesses, operations, technology and other support functions, with findings communicated to senior management and monitored through remediation plans against agreed timelines.

IAG operates independently under the oversight of the BAC, in accordance with the Institute of Internal Auditors' 2024 International Professional Practices Framework, including mandatory Global Standards, Topical Requirements and supplemental guidance. The Chief Internal Audit Officer (**CIAO**) reports functionally to the Chairman of the BAC and administratively to the GCEO, with unrestricted access to the BAC, including private meetings without management present. IAG staff, who are professionals with diverse audit and industry experience, carry out engagements in line with the IAG mandate, approved risk-based plans and applicable regulatory requirements, including the CBK's laws, supervisory instructions and corporate governance rules. Where full conformance with internal audit standards is not feasible, the CIAO promptly discloses the nature of non-conformance, rationale and an action plan with timelines to the BAC.

Internal control

The Board has the ultimate responsibility for the Bank's internal control system and provides oversight through relevant Board and management committees which ensure that executive management implements effective systems of controls and reliable processes of internal and external reporting designed to ensure compliance with applicable laws, regulations and internal policies, adherence to the operational risk appetite of the Bank and fulfilment of individual and collective responsibilities.

In accordance with CBK regulations, the Bank appoints an independent audit firm to examine the internal control systems in the Bank and its subsidiaries and to identify any deficiencies that may give rise to risks.

To ensure operational conformity with applicable policies in an integrated and cost-efficient manner, the Bank has:

- detailed operating procedures in place in respect of all major functions;

- an effectively functioning IT security and control structure; and
- an independent internal audit function.

Based on the evaluations conducted by executive management and the Board, there were no material control deficiencies identified that were required to be reported in the 2024 Financial Statements.

Anti-Money Laundering and Counter-Financing of Terrorism

The Group Anti-Financial Crime department ensures the implementation of local and global regulatory requirements across the Group. The department adopts a comprehensive governance framework aligned with the highest AML/CFT strategies, including the prohibition of weapons of mass destruction proliferation and counter-proliferation financing measures, while embedding a risk-based approach throughout the Group.

Ongoing activities include:

- updating and implementing anti-financial crime policies and procedures across the Group;
- strengthening KYC procedures and forms in line with international standards;
- raising awareness through Group-wide training, guidance and awareness programmes;
- investigating and ensuring timely reporting of suspicious transactions;
- monitoring, applying and enhancing sanctions compliance standards, including the consistent implementation of global and local sanctions requirements;
- substantiating and enhancing correspondent banks' relations within a robust governance framework; and
- conducting AML/CFT and sanctions risk assessments using a risk-based approach to ensure effective risk mitigation.

SUSTAINABILITY

The Bank recognises the importance of ESG factors in its strategy, operations and long-term risk management. The Bank's ESG framework aligns with the Global Reporting Initiative Universal Standards (2021), the Sustainability Accounting Standards Board, the United Nations Sustainable Development Goals, Kuwait Vision 2035 and the ESG reporting guidelines of Boursa Kuwait.

ESG vision and mission

The Bank's ESG vision is to be a responsible banking institution that supports building a better future for its stakeholders, people and communities. Its ESG mission is to focus on financing responsibly, achieving positive community impact, endorsing ethical practices and transparency and minimising environmental impact.

The Bank is actively undergoing a transformative journey to become a key contributor to a more sustainable future with commitment to fully integrating ESG considerations into its core business culture, operations and strategic decision-making processes. This commitment guides the Bank's journey, ensuring its compliance aligns seamlessly with the highest ESG principles and best practices.

ESG governance and oversight

The Bank has adopted ESG policies that include customer protection, reducing its environmental footprint, enhancing workplace health and safety, human rights and ensuring Board oversight of ESG-related risks. Senior management and the Board are responsible for ESG oversight through the MESGC.

The MESGC, chaired by the CEO Kuwait and comprising senior management executives from across functions, drives the Bank's sustainability strategies and initiatives. It develops ESG action plans, monitors ESG risks, reviews performance and oversees the Bank's ESG reporting. The MESGC meets periodically to guide the Bank's ESG approach and assess material ESG issues. Since 2019, the Bank has published annual sustainability reports in alignment with both international frameworks and local regulatory requirements.

ESG materiality and sustainability assessment

The Bank evaluates its sustainability profile based on third-party data, internal metrics and relevant industry standards. It conducts a materiality assessment every three years, with the most recent assessment completed in 2023. These assessments enable informed decision-making by identifying ESG topics of shared importance to the Bank and its stakeholders, guiding the Bank's sustainability strategy in depth and reach.

As an outcome of the 2023 materiality reassessment, four redefined pillars were established as the foundation for addressing key ESG issues. These material ESG issues are integrated into financial planning and risk management. The table below shows these issues.

Good governance	Responsible banking	Environmental impact reduction	Community betterment
• Diversity, equity and inclusion • Governance & business ethics	• Responsible lending and investing • Privacy & data security • Financial inclusion & literacy	• Climate change & environmental risk exposure	• Nationalisation • Customer experience & digitalisation • Human capital development • Employee wellbeing • Community relations and impact

Implementation of the ESG strategy

Highlights of the progress made in implementing the Bank's ESG strategy includes:

Global recognition

Its inclusion in the FTSE4Good Index – a significant milestone reflecting the Bank's strong ESG practices and alignment with international standards.

Environmental

- comprehensive greenhouse gas (**GHG**) emissions mapping (Scope 1 & 2) with expanding Scope 3 coverage;
- LEED Gold certification for head office operations;
- installation of rooftop solar panels, EV charging stations, motion sensor lighting and waste management initiatives; and

- integration of climate risk into the risk management framework, with 18 per cent. of the lending portfolio assessed for ESG considerations and climate-related stress testing initiated.

Social

- strong workforce diversity and inclusion, with approximately 86 per cent. national representation and 45 per cent. female representation as at 31 December 2024;
- an average of 33 training hours per employee in 2024 through multiple learning channels;
- certification as a Great Place to Work®, with 89 per cent. employee engagement participation in 2024;
- expanded customer accessibility through physical branches and enhanced digital platforms;
- support for SME growth through dedicated products and advisory services;
- promotion of financial literacy through the Diraya campaign, school/university programmes and community outreach; and
- strengthened community and social responsibility impact with initiatives in education, health, youth empowerment and environmental stewardship as well as partnerships with non-governmental organisations, government entities and educational institutions.

Governance

- a robust information security and data privacy framework, supported by international certifications, including ISO/IEC 27001 (Information Security Management), ISO/IEC 27701 (Privacy Information Management System – PIMS) and PCI-DSS 4.0 (Payment Card Industry Data Security Standard); and
- strong Board and senior management oversight of ESG strategy through the MESGC.

Key future sustainability initiatives

The Bank is committed to advancing its sustainability efforts through the following strategic initiatives:

- developing a carbon neutrality strategy by Implementing measures to achieve net-zero GHG emissions across operations and value chain;
- expanding its GHG emissions reporting to include scope 3 emissions and provide a comprehensive view of the Bank's environmental impact;
- enhancing operational efficiencies through implementing waste recycling programmes, improving energy efficiency and reducing paper usage across all operations;
- increasing financing for sustainable projects by allocating more resources to renewable energy and energy-efficient projects to support the transition to a low-carbon economy;
- strengthening ESG risk assessment frameworks by integrating ESG considerations into its lending portfolios to ensure sustainable growth; and
- establishing ESG monitoring and reporting frameworks by developing robust systems to track and report on ESG and climate-related risks, ensuring transparency and accountability.

SUSTAINABLE FINANCE FRAMEWORK

From time to time and pursuant to the Programme, the Bank may procure the Issuer to issue Sustainable Notes in respect of which it will apply the equivalent amount to finance and/or refinance, in whole or in part, projects or activities that meet the eligibility criteria set out in the Bank's Sustainable Finance Framework and summarised below.

The Sustainable Finance Framework envisages that the equivalent amount in respect of Sustainable Notes will be used to finance and/or refinance:

- eligible green projects and/or eligible social projects, each as described below; and
- general corporate purpose loans to "Pure Play Companies", which are defined as companies that derive over 90 per cent. of their revenue from the green eligibility criteria and/or social eligibility criteria set out below.

Key Features of the Framework

Standards and alignment

The Framework conforms with the Green Bond Principles 2021, Social Bond Principles 2021, Green Loan Principles 2021, Social Loan Principles 2021, and the Sustainability Bond Guidelines as published by International Capital Market Association (ICMA) and Loan Market Association (LMA). The Bank has obtained a Second-Party Opinion assessing the alignment of the Framework with these standards.

Eligible use of proceeds

Net proceeds may be allocated to eligible projects, including but not limited to:

- clean transportation;
- renewable energy and energy efficiency;
- pollution prevention and control;
- sustainable waste management;
- green buildings and infrastructure projects;
- employment generation initiatives; and
- other activities delivering measurable environmental or social benefits.

Selection of eligible assets

The selection of eligible assets adheres to predefined criteria and internal policies.

Management of proceeds

The Bank tracks and allocates net proceeds from sustainability-branded debt instruments to eligible projects. Any unallocated proceeds are managed in accordance with the Framework until fully deployed.

Reporting and impact measurement

The Bank provides annual reporting on proceeds allocation and impact metrics, including transparency on use of funds, project status, and expected or achieved environmental and social outcomes.

Governance and oversight

Oversight of implementation of the Framework is provided by the Bank's ESG governance bodies (including the Board) and the Bank's Sustainability Finance Working Group (**SFWG**). The SFWG is chaired by a senior member from Treasury & Investment Banking and comprise members from Treasury & International Banking, Risk, Financial Accounting & Control, Corporate Communications and any other individual(s) assigned by Executive Management.

OVERVIEW OF KUWAIT

Unless indicated otherwise, information in this section has been derived from Kuwaiti Government publications.

OVERVIEW

Kuwait is located in the north-east of the Arabian Peninsula in Western Asia. It is bordered by Saudi Arabia to the south at Khafji and Iraq to the north at Basra. To the east, Kuwait has approximately 499 kilometres of coastline on the Arabian Gulf.

Kuwait covers an area of approximately 17,818 square kilometres, which is divided into six Governorates (Al-Ahmadi, Al-'Asimah (the capital), Al-Farwaniyah, Al-Jahra', Hawalli and Mubarak Al-Kabir). Each Governorate is headed by a governor, a representative of the Emir, who is supported by a council. Governors are usually members of the ruling family or close allies. Membership of the Governorate councils is by appointment. Each Governorate is divided into districts or areas and each district is headed by a mayor or chief (Mukhtar) who reports to the Ministry of Interior. The capital and administrative centre of Kuwait is Kuwait City, where the Government and most of the other state institutions are located. The official language in Kuwait is Arabic, but the use of English is widespread, especially in business transactions.

Kuwait's economy benefits from some of the largest proven crude oil reserves in the world as well as very low relative oil production costs. According to OPEC's 2025 Annual Statistical Bulletin Kuwait has the sixth largest proven crude oil reserves in the world estimated at around 101.5 billion barrels (accounting for 6.5 per cent. of the world's total proven crude oil reserves). In addition, according to the same source, Kuwait was the world's ninth largest crude oil producer and 12th largest crude oil exporter for the year ended 31 December 2024, accounting for 3.3 per cent. of the world's total crude oil production and 2.7 per cent. of the world's total crude oil exports. As a founding member of OPEC, Kuwait's crude oil production is subject to any agreements that are reached to limit crude oil production.

POPULATION

The latest official Kuwait census for which data has been published was conducted in 2021. Accordingly, all population figures for subsequent years are estimates based on historic data.

The most recent estimate of the population in Kuwait published by the CSB estimated the population to be approximately 4.9 million as at 1 January 2024, of which approximately 1.5 million were Kuwaiti nationals (31.5 per cent.) and approximately 3.4 million were non-Kuwaiti nationals (68.5 per cent.).

ECONOMIC OVERVIEW

Since oil was discovered in Kuwait in 1937, Kuwait's economy has grown significantly, principally due to the revenues generated from the export of crude oil and related products. Kuwait's major industries include petroleum, petrochemicals, cement, shipbuilding and repair, water desalination, food processing and construction.

According to data published by the CBK and sourced to the CSB, Kuwait's real GDP increased by 6.8 per cent. in 2022, decreased by 1.7 per cent. in 2023 and by 2.6 per cent. in 2024. According to the IMF's World Economic Outlook Database (April 2025), Kuwait's real GDP increased by 5.9 per cent. in 2022, declined by 3.6 per cent. in 2023 and is estimated to have declined by 2.8 per cent. in 2024. According to the same source, Kuwait's real GDP is projected to increase by 1.9 per cent. in 2025.

According to data published by the CSB, Kuwait's nominal GDP increased by 25.6 per cent. in 2022, decreased by 9.6 per cent. in 2023 and by 3.3 per cent. in 2024. In each case the change was driven by changes in oil-related activities.

According to data published by the Kuwait Ministry of Finance, oil revenues comprised 91.0 per cent. of total Government revenues for the fiscal year ended 31 March 2024 and 92.7 per cent. of total Government revenues for the fiscal year ended 31 March 2023. According to the same source, Kuwait's General budget recorded a deficit of KD 1.6 billion in the fiscal year ended 31 March 2024, a surplus of KD 6.4 billion in the fiscal year ended 31 March 2023 and a deficit of KD 4.3 billion in the fiscal year ended 31 March 2022. According to data published by the CSB, oil exports represented 90.7 per cent. of total exports for the year

ended 31 December 2024, 93.3 per cent. of total exports for the year ended 31 December 2023 and 94.3 per cent. of total exports for the year ended 31 December 2022.

Kuwait's economy is impacted by developments in oil prices. The annual average OPEC Reference Basket prices in each of 2021, 2022, 2023 and 2024 were U.S.$69.89 per barrel, U.S.$100.08 per barrel, U.S.$82.95 per barrel and U.S.$79.89 per barrel, respectively. In the first half of 2022, the OPEC Reference Basket price per barrel increased significantly against a backdrop of a recovery in global oil demand from its pandemic lows and concerns over the oil supply outlook due to fallout from the Russia-Ukraine conflict. However, prices fell in the second half of 2022, as markets grew increasingly concerned about the health of the global economy amid soaring inflation, tightening monetary policy and the economic damage caused by China's continuing struggle with COVID-19. The lower annual average OPEC Reference Basket price in 2023 principally reflected changes towards the end of 2022 in the sanctions regime imposed on Russia and announcements by OPEC and non-OPEC members towards the end of 2022 and in early 2023 with the aim of stabilising oil prices. The monthly average OPEC Reference Basket prices were U.S.$79.38 per barrel in January 2025, U.S.$76.81 per barrel in February 2025 and U.S.$74.00 per barrel in March 2025.

OPEC Reference Basket price movements are shown solely to illustrate the historic volatility in international crude oil prices and no implication is intended that the Group's revenue from crude oil production is directly linked to the price of the OPEC Reference Basket. The price per barrel of Kuwait Export Crude Oil (which is produced by Kuwait and constitutes part of the OPEC Reference Basket) has also moved in line with these trends.

While the oil industry has historically dominated and continues to be the largest part of, Kuwait's economy with the oil sector (excluding refining) accounting for approximately 43.4 per cent. of nominal GDP in 2024 and 41.4 per cent. in the first quarter of 2025 (according to data published by the CBK and sourced to the CSB), Kuwait continues to focus on the diversification of its economy by encouraging private sector participation and promoting foreign investment in non-oil sectors as articulated in the "New Kuwait 2035" plan.

Kuwait's public finances benefit from one of the world's largest sovereign wealth funds. Based on third party public sources, the KIA is ranked as the world's fifth largest sovereign wealth fund with approximately U.S.$1,029 billion in assets according to the Sovereign Wealth Fund Institute. The KIA is prohibited by law from publicly discussing the exact size of its holdings. The KIA is responsible for the management of Kuwait's General Reserve Fund ("**GRF**") and its Future Generations Fund (**FGF**), as well as other funds entrusted to it by the Minister of Finance for and on behalf of Kuwait. The GRF is available to fund budget deficits in Kuwait and Kuwait has never drawn down on the funds in the FGF since the FGF's inception in 1976, other than for liberation and reconstruction costs related to the Iraqi invasion.

INFLATION

The following table shows the CPI and annual inflation rate in Kuwait for the years ended 31 December 2024, 2023, 2022, 2021 and 2020, respectively.

	Average for the year ended 31 December				
	2024	**2023**	**2022**	**2021**	**2020**
Consumer Price Index (base year 2013=100)	133.7	129.9	125.4	120.6	116.6
Inflation (average annual percentage change).....	2.9	3.6	4.0	3.4	2.1

Source: Data published by the CSB

GOVERNMENT, POLITICAL AND LEGAL SYSTEM

Kuwait is a constitutional monarchy with a parliamentary system of government. Under its Constitution, which entered into force in 1963, the head of the State is the Emir, who is chosen from among the members of the ruling Al-Sabah family and confirmed by the National Assembly. The current Emir is His Highness Sheikh Meshal Al-Ahmed Al-Jaber Al-Sabah, who ascended to the throne in December 2023. The Emir has, among other powers, the power to appoint the Prime Minister, dissolve the National Assembly, suspend certain parts of the Constitution and refer bills to the National Assembly for consideration. The Emir has the right to propose legislation as well as the right to promulgate and sanction

laws. Historically, the Emir has been selected by family consensus although the Emir Succession Law provides for National Assembly input under certain circumstances.

Kuwait was the first member of the GCC to establish a directly elected National Assembly in 1963. The National Assembly comprises 50 directly elected members who serve four-year terms. The National Assembly has the power to question and dismiss ministers through a vote of no-confidence, including the Prime Minister, and to propose, enact or block enactment of legislation introduced by the Government.

On 10 May 2024, Kuwait's parliament was suspended by the Emir for up to four years. This suspension also included the sidelining of several articles of the Constitution. A new Cabinet was appointed by the Emir on 12 May 2024 and, during the suspension, the Emir and the newly appointed Cabinet will take over the 50-member Parliament's legislative powers. The Emir has expressed that the transitional period will be used to review the democratic process in Kuwait.

The Council of Ministers forms the executive level of government and advises and assists the Prime Minister, who is appointed by the Emir. The current Prime Minister is His Highness Sheikh Ahmed Al-Abdullah Al-Sabah who was appointed in May 2024.

Kuwait's legal system is primarily modelled on the French civil law system, Egyptian civil code and elements of Islamic Shari'a law. Although Kuwait is a democratic nation where sovereignty rests with the people, its system is based on the principles of justice, liberty and equality and governed by a constitution of delegated powers to the legislative, the executive and the judicial authorities. In descending order of importance, the Constitution is followed by laws and their implementing instruments such as regulations and ministerial resolutions.

DEVELOPMENT STRATEGY OF KUWAIT

In 2010, the Government announced its new overall strategy for Kuwait's future development through the year 2035 known as "**Kuwait Vision 2035**", which is based on three main themes:

- recovering the pioneering regional role of Kuwait and transforming it into a financial and trade centre, attractive to investors, where the private sector plays the lead role in economic activity creating competition and promoting efficiency; with supportive national governmental institutions providing the adequate infrastructure, appropriate legislative framework and an inspiring business environment;

- providing a climate for balanced human development, safeguarding social values and national identity and preserving the community's values; and

- strengthening the democratic system, respect for the Constitution and the promotion of justice, political participation and freedom.

The New Kuwait Vision

On 30 January 2017, the Government updated its long-term development strategy under the slogan "New Kuwait 2035". The New Kuwait Vision is based on the following seven thematic pillars and objectives:

- Public Administration: Reform administrative and bureaucratic practices to reinforce transparency, accountability and efficiency in the Government.

- Economy: Develop a prosperous and diversified economy to reduce Kuwait's dependency on oil revenues.

- Infrastructure: Develop and modernise the national infrastructure to improve the quality of life for Kuwait's citizens.

- Living Environment: Ensure the availability of accommodation through environmentally sound resources and tactics.

- Healthcare: Improve service quality and develop national capabilities in the public healthcare system at a reasonable cost.

- Human Capital: Reform the education system to better prepare Kuwait's youth to become competitive, productive and competent members of the workforce.

- Global Position: Enhance Kuwait's regional and global presence in spheres such as diplomacy, trade, culture and philanthropy.

FOREIGN RELATIONS AND INTERNATIONAL ORGANISATIONS

Kuwait, together with Bahrain, Oman, Qatar, Saudi Arabia and the UAE, form the GCC. Kuwait is also a member of OPEC and the United Nations. It is also a member of numerous international and multilateral organisations, including the IMF, the International Bank for Reconstruction and Development, the WTO, the League of Arab States, the Organisation of Islamic Conference, the Multilateral Investment Guarantee Agency and the United Nations Educational, Scientific and Cultural Organisation (UNESCO).

BANKING INDUSTRY AND REGULATION IN KUWAIT

CENTRAL BANK OF KUWAIT

Kuwait's monetary, banking and financial system is regulated and supervised by the CBK, which was formed by Law No. 32 of 1968 (as amended) (the **CBK Law**). The CBK commenced operations on 1 April 1969. According to Article 15 of the CBK Law, its objectives are to:

- issue currency on behalf of Kuwait;
- secure the stability of the Kuwaiti dinar and its free convertibility into other currencies;
- direct credit policy in order to contribute to Kuwait's social and economic progress and the growth of national income;
- supervise the banking system in Kuwait;
- serve as the Government's bank; and
- render financial advice to the Government.

The CBK is largely independent of Kuwait's executive and legislative branches and is managed by a Board of Directors, consisting of the Governor of the CBK, who also acts as the Chairman, the Deputy Governor of the CBK, a representative from each of the Kuwait Ministry of Finance and the Kuwait Ministry of Commerce and Industry (the **MOCI**) and four additional members, each of whom must be a Kuwaiti national and must be nominated by the Minister of Finance (after obtaining the approval of the Council of Ministers). The four additional Board members are drawn from expert practitioners in the fields of economics, finance or banking and are appointed by an Emiri Decree for a three-year renewable term. The Governor and the Deputy Governor of the CBK are each appointed by an Emiri Decree for a five-year renewable term, pursuant to a recommendation from the Minister of Finance (which is conditional on them having experience in the banking sector).

The CBK's total assets as at 30 June2025 were approximately KD 13 billion.

BANK REGULATION AND SUPERVISION

All banks operating within Kuwait are subject to the supervision of the CBK, which is the primary regulator of banks and financial institutions in Kuwait whilst the Kuwait Capital Markets Authority (the **CMA**) exercises supervisory authority over all Kuwaiti entities (including banks and financial institutions) which are listed on Boursa Kuwait (previously known as the Kuwait Stock Exchange) or engage in securities activities as discussed further below.

Off-site and On-site supervision department

The CBK's off-site supervision department receives periodic financial reports from institutions under its supervision, issues supervisory regulations, resolutions and instructions to such institutions, examines ongoing banking and financial trends and monitors their impact on the soundness and stability of these institutions. The department also conducts studies to assess applications to establish new banking and financial institutions or for new branches, articles of association, banking services and by-laws; and organises and maintains registers of the institutions subject to CBK supervision. The off-site supervision department also prepares CBK recommendations on issues concerning banking and supervisory conditions, and develops a dialogue with worldwide supervisory bodies and concerned international institutions, to stay informed and updated on the latest global trends and developments in the area of supervision of banking and financial activities.

The CBK also has an on-site supervision department that is responsible for monitoring the activities of institutions under its supervision to ensure their compliance with the provisions of relevant laws and supervisory regulations and instructions, including through periodic inspections. In addition, the on-site supervision department is responsible for the combat of money laundering and financing of terrorism (through an Anti-Money Laundering section within the on-site supervision department), following up on complaints and appeals submitted to CBK by those dealing with CBK-regulated entities, and proposing related supervisory regulations and instructions.

Financial Stability Office

The CBK has also established a Financial Stability Office (the **FSO**), which aims to contribute to a sound financial system in Kuwait capable of withstanding financial and economic shocks by identifying key vulnerabilities in the financial system and suggesting appropriate corrective measures. The FSO annually publishes its flagship Financial Stability Report (the **FSR**), covering key developments in the banking sector (making an assessment of financial intermediation, analysing key risks in the banking sector and examining the trends in banks' profitability, solvency and resilience against major shocks), domestic markets (money, foreign exchange, equity and real estate markets) and the payment and settlement systems. The aim of publishing the annual FSR is to identify risks to the stability of the financial system and to promote transparency and encourage informed public discourse on various developments in the financial system.

The FSO also prepares other analytical reports, for internal use on major developments and key risks in the banking sector and financial markets, making use of appropriate tools and techniques, such as stress testing, in early identification of vulnerabilities in the financial system.

BANKING REGULATION

Liquidity regulations

The CBK requires banks to maintain 18 per cent. of their Kuwaiti dinar customer deposits in the form of balances with the CBK and Kuwaiti Government treasury bonds, although this ratio was reduced between April 2020 and 31 December 2022 during the COVID-19 pandemic.

Bank liquidity in Kuwait is monitored using the "Maturity Ladder Approach" under which future cash inflows are compared with future cash outflows. The resulting liquidity mismatches are then examined in time bands against approved limits for each band. The relevant instruction relating to liquidity establishes the elements to be included when calculating assets and liabilities for the purpose of determining liquidity.

Banks are required to submit, along with existing liquidity reports, their LCR reports on a daily and monthly basis for monitoring purposes as well as LCRs by major currency. Both the minimum required LCR and NSFR were also temporarily reduced between April 2020 and 31 December 2022.

Capital adequacy regulations

Over the past few years, the CBK has refined its existing regulations to reflect global best practices. The CBK has implemented the full set of Basel III regulations, covering capital adequacy, leverage and liquidity. The CBK has enhanced its capital adequacy regime by setting out higher and better-quality capital for Kuwaiti banks to further strengthen their loss absorbing capacity. The CBK has also put up additional capital requirements for systemically important banks, such as the Bank, and introduced the Leverage Ratio (which is defined as the "capital" measure – made up of Tier 1 capital – divided by the "exposure" measure – being the sum of on-balance sheet assets, derivative exposures and off-balance sheet exposures) as a supplementary measure to ensure that Kuwaiti banks do not become overly leveraged.

The CBK's Instructions relating to Basel III require that the terms and conditions of Tier 1 or Tier 2 instruments issued by a licensed bank in Kuwait must contain a provision that permits such instruments to either be written off or converted into common equity, as determined by the CBK, should a Trigger Event (as defined below) occur. Pursuant to the Instructions, a "Trigger Event" will have occurred if either of the following events occurs:

- the issuing bank is instructed by its regulator to write-off or convert such instruments, on the grounds of non-viability; or

- an immediate injection of capital is required, by way of an emergency intervention, without which the issuing bank would become non-viable.

Notwithstanding the definition of Trigger Event set out above, the conditions of the Tier 1 and Tier 2 capital securities issued by the Bank only allow for a write-down (as defined in the Conditions), and not a conversion into ordinary shares, to take place following the occurrence of a Trigger Event.

Credit risk regulations

- *Loan/financings to deposit ratio* - Kuwaiti banks are restricted by the CBK from lending amounts in excess of a prescribed percentage of qualifying deposits. With effect from October 2016 to April 2020, the prescribed percentage was 90 per cent., irrespective of the maturity profile of such deposits. The prescribed percentage was increased to 100 per cent. in April 2020 following the outbreak of the COVID-19 pandemic. As at 1 January 2022, the limit was decreased to 95 per cent. and returned to the pre-COVID-19 prescribed percentage of 90 per cent. on 1 January 2023.

- *Credit facility classifications*: The CBK requires banks operating in Kuwait to evaluate and classify their credit facilities into two categories (regular and irregular) on a periodic basis. The relevant CBK instructions specify the cases when a credit facility must be classified as 'irregular' and include where payment of an instalment is not made, interest is not paid on the maturity date or the debit balance exceeds the drawing limits determined for the customer.

- *Consumer and instalment loans*: Consumer credit facilities are granted in compliance with the CBK's regulatory framework, lending limits and the Bank's internal credit policy. In November 2018, the CBK amended the regulations on granting personal loans/financing. Taking into consideration changes in macroeconomic conditions and the changes in customer demographics, these amendments increased the ceiling for both consumer loans and Islamic financing. In general, the maximum eligible limit for a consumer loan is 25 times the net monthly salary (or continuous monthly income) of the consumer, or KD 25,000, whichever is lower, with a maximum repayment tenor of five years. An "instalment" loan is a long-term personal loan intended for non-commercial purposes, in particular for renovation or purchase of a private residence. The maximum limit on instalment loans is KD 70,000 (which is in addition to the maximum limit on any "consumer" loan advanced to the same customer). The maximum repayment tenor for an instalment loan is 15 years. A customer's total monthly repayment liability (consumer and instalment loans) must not exceed 40 per cent. of that customer's net monthly salary (or continuous monthly income).

- *Extension of facilities for non-residents*: Local banks are permitted to extend credit facilities in KD to non-residents without the need for prior consent from the CBK only in connection with financing contracts awarded by government bodies in Kuwait whose value does not exceed KD 40 million and where the loan does not exceed 70 per cent. of the total value of the contract. In all other cases, CBK consent is required for loans to non-residents.

- *Foreign exchange transactions* - Local banks may deal with foreign banks for foreign exchange transactions, may deposit Kuwaiti dinar with foreign banks and may enter into foreign exchange swap and other derivative transactions, including options, futures and forward contracts.

Concentration risk regulations

- *Investment limits*: The total ratio of the securities portfolio held by a Kuwaiti bank should not exceed 50 per cent. of the bank's capital in its comprehensive concept, as defined under the CBK's instructions to the local banks in respect of the capital adequacy ratio and the CBK instruction no. BS/101/1995 (as amended) in respect of the credit concentration limits. Further, the ratio of the investment in the securities of any one issuer should be the lower of 10 per cent. of the bank's capital in its comprehensive concept or 10 per cent. of the issuer's capital.

- *Maximum limit for credit concentration*: Subject to certain exceptions or where prior CBK approval has been obtained, the total credit liabilities of any single customer (including its legally or economically associated entities) to a bank may not exceed 15 per cent. of the bank's regulatory capital.

- *Clustering limit – total limit for large concentrations*: The aggregate of large credit concentrations (being concentrations which exceed 10 per cent. of a bank's regulatory capital), including any exceptions approved by the CBK, may not exceed four times a bank's regulatory capital.

Interest rate cap regulations

The CBK's resolutions issued in respect of interest rate ceilings provide that the maximum limits for interest rates on KD loans to corporates should not exceed:

- 2.5 per cent. over the CBK's discount rate in the case of commercial loans with a maturity of one year or less; and
- 4 per cent. over the CBK's discount rate in the case of commercial loans exceeding one year.

Interest rates for consumer and instalment loans denominated in Kuwaiti dinar are currently capped at the CBK discount rate plus 3 per cent. for each block of five years. Such interest rates may be adjusted by no more than plus or minus 2 per cent. for each subsequent block of five years.

Interest rates for loans in currencies other than the Kuwaiti dinar are not regulated by the CBK.

Corporate governance

On 10 September 2019, the CBK issued a revised version of the "Rules and Standards of Corporate Governance" (the **Corporate Governance Rules**) which apply to all banks in Kuwait and were required to be implemented with effect from 30 June 2020. The Corporate Governance Rules provide principles that should be applied by Kuwaiti banks in order to ensure proper governance. They comprise nine pillars that cover, amongst other things, board composition, independent board members, senior management, risk management governance, compliance governance, cyber security, disclosure and transparency, remuneration policies and systems and overall protection of shareholder and stakeholder's rights. The Corporate Governance Rules require each bank to adopt a corporate governance manual and establish a corporate governance committee, tasked with devising an overall framework for the adherence to the governance manual.

The Corporate Governance Rules require the existence of independent directors in the composition of a banks' board of directors and the board committees. A bank's board must comprise no less than 11 board members, four of whom must be deemed "independent" but in no circumstance should the independent board members occupy more than half of the board seats.

The Corporate Governance Rules define the role of a bank's board of directors and executive management (including the chief executive officer and other members of senior management), the executive committee, the risk committee, the audit committee and any other committees that have an active role in the business of the Bank.

The Board adopts and implements internationally recognised corporate governance practices and adheres to the CBK's requirements under the Corporate Governance Rules.

Third party portfolio management

Instructions apply to portfolios managed by banks and investment companies for the account of third parties and invested in foreign securities and other financial instruments.

Other Instructions

The CBK has also issued Instructions containing guidelines relating to, among other matters: (i) post-dated cheques; (ii) banks' credit policy ratios; (iii) verification of the purpose of credit facilities granted to customers; (iv) collateral to be granted by customers against credit facilities; (v) the provision of facilities for trading in shares listed on the Boursa Kuwait; (vi) the protection of customers; (vii) customers' special needs and (viii) anti-money laundering and combating the financing of terrorism.

APPLICATION OF CBK REGULATIONS TO THE BANK

The Bank is incorporated as a public shareholding company in Kuwait. The Bank is licensed by the CBK to conduct banking activities and operates under its supervision. The Bank is also listed on Boursa Kuwait. As a company incorporated in the State of Kuwait under the applicable companies' laws, for the Bank to perform any commercial activities, it must have a valid commercial license issued by the Ministry of Commerce and Industry (**MOCI**). The MOCI issued commercial license is renewable every

four years. The Bank has a valid commercial license which expires on 1 November 2026. The Bank has no reason to believe that its commercial licence will not be renewed by MOCI.

The CBK is tasked with maintaining the stability of Kuwait's banking system. As an entity subject to the CBK's oversight, the Bank is required to submit various periodic and one-off reports to the CBK. The CBK also conducts inspections of banking and financial institutions (banks, investment companies and money exchange companies) which are subject to its supervision in order to ascertain their financial sustainability and their adherence to their constitutive documents. These inspections may be in the form of a specific inspection or a full audit of all activities. The CBK routinely and periodically inspects all entities subject to its oversight.

Alongside the CBK, the Bank is also regulated by the CMA due to it being a publicly traded company with shares listed on Boursa Kuwait and conducts some of the "Securities Activities" listed in Module 5 article 1-2 of the CMA Bylaws.

BANKING SYSTEM

The banking system in Kuwait comprises five conventional banks, four Islamic banks, one specialised bank and 11 foreign bank branches, all regulated by the CBK.

The conventional banks, the Bank, National Bank of Kuwait, Gulf Bank, Commercial Bank of Kuwait and Al Ahli Bank of Kuwait, provide a full range of retail, corporate, treasury and investment services, while the Islamic banks, Kuwait Finance House, Boubyan Bank, Warba Bank and Kuwait International Bank, operate fully under Shari'a-compliant principles, as Kuwaiti law prohibits the operation of Islamic "windows" within conventional banks. The Industrial Bank of Kuwait serves as the sole specialised bank, with a mandate to finance industrial and development projects in support of economic diversification. In addition, 11 international banks, Bank of Bahrain and Kuwait, BNP Paribas, HSBC Bank Middle East Limited, First Abu Dhabi Bank, Citibank, Qatar National Bank, Doha Bank, Mashreq Bank, Al Rajhi Banking & Investment Corporation, Bank Muscat and Industrial and Commercial Bank of China Limited, maintain branches in Kuwait primarily focusing on corporate, trade and investment banking. The entry of these international banks has introduced greater competition and diversification to the sector, following the promulgation of Law No. 28 of 2004, which amended certain provisions of the CBK Law.

As at 30 June 2025, the total assets of local banks in the Kuwaiti banking sector amounted to KD 97 billion, while total credit facilities extended by local banks to Kuwaiti residents stood at KD 47 billion. This reflects continued growth in both assets and lending compared to KD 92 billion in assets and KD 45 billion in credit facilities as at 31 December 2024, and KD 88 billion and KD 43 billion, respectively, as at 31 December 2023 (source: CBK).

With respect to the local conventional banks, total assets amounted to KD 48 billion as at 30 June 2025, while total credit facilities extended to Kuwaiti residents stood at KD 20 billion. This compares with KD 46 billion in assets and KD 20 billion in credit facilities as at 31 December 2024, and KD 44 billion and KD 19 billion, respectively, as at 31 December 2023, reflecting steady growth in assets and a stable level of credit facilities (source: CBK).

The local conventional banks in Kuwait reported a net interest margin (net interest income to average interest-earning assets) of 2.6 per cent. as at 30 June 2025, consistent with 2.6 per cent. reported for the years ended 31 December 2024 and 31 December 2023. Profitability remained resilient, with return on average equity (net income to average shareholders' equity) and return on average assets (net income to average assets) of 11.8 per cent. and 1.5 per cent., respectively, as at 30 June 2025, broadly in line with 11.9 per cent. and 1.5 per cent. for the year ended 31 December 2024, and 11.5 per cent. and 1.5 per cent. for the year ended 31 December 2023. These indicators reflect strong and stable earnings generation across the sector (source: CBK).

Asset quality also remained solid. As at 30 June 2025, the ratio of gross non-performing loans to total loans stood at 1.6 per cent., the ratio of gross non-performing loans less specific provisions to total loans less specific provisions was 1.0 per cent., and the ratio of general and specific provisions to gross non-performing loans was 263.0 per cent. This compares with 1.4 per cent., 0.8 per cent. and 298.8 per cent., respectively, as at 31 December 2024, and 1.5 per cent., 0.9 per cent. and 332.4 per cent., respectively, as at 31 December 2023. These ratios demonstrate a healthy loan portfolio, supported by prudent provisioning levels, and remain favourable relative to international norms (source: CBK).

As at 30 June 2025, the capital adequacy ratio (Capital Base to Risk Weighted Assets (Basel III)) of the local conventional banks remained robust at 16.8 per cent., compared to 17.6 per cent. as at 31 December 2024 and 17.8 per cent. as at 31 December 2023. The reported ratios remain well above the CBK minimum regulatory requirement, highlighting the sector's strong capital buffers and resilience (source: CBK).

The regulatory liquidity ratio (defined as the ratio of balances with the CBK, government treasury bills and bonds, and other financial instruments issued by the CBK to customer dinar-denominated deposits) was 20.8 per cent. as at 30 June 2025, comfortably above the CBK minimum requirement of 18.0 per cent. This compares with 21.1 per cent. as at 31 December 2024 and 22.6 per cent. as at 31 December 2023, underscoring the sector's strong liquidity position (source: CBK).

The Kuwaiti banking sector continues to demonstrate strong fundamentals, supported by high capital adequacy ratios, stable profitability, sound asset quality and robust liquidity. These strengths are underpinned by prudent CBK oversight. Competition between conventional and Islamic banks, together with the presence of foreign banks, continues to diversify offerings and enhance resilience, while increasing regulatory emphasis on governance, risk management and cybersecurity further supports the sector's long-term stability as digital banking channels expand.

DEPOSIT GUARANTEE LAW

In response to the global financial crisis in 2008, the Government took a number of measures, including the passing of Law No. 30 of 2008 regarding the guarantee of deposits held with local banks (the **Deposit Guarantee Law**). Under the Deposit Guarantee Law, the Government of Kuwait has undertaken to guarantee the principal (but not interest) of all deposits held with local banks in Kuwait, including savings accounts and current accounts.

TAXATION

The following is a general description of certain Kuwait, United Arab Emirates, Dubai International Financial Centre, EU and United States tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective purchasers of Notes should consult their tax advisers as to the consequences under the tax laws of the countries of their respective citizenship, residence or domicile of acquiring, holding and disposing of Notes and receiving payments under the Notes. This summary is based upon the law as in effect on the date of this **Base Offering Circular** ***and is subject to any change in law that may take effect after such date.***

Kuwait

In general income taxation in Kuwait is based on the Kuwait Income Tax Decree No. 3 of 1955, as amended by Law No. 2 of 2008 "Amending Certain Provisions of Kuwait Income Tax Decree No. 3 of 1955" and its Executive Bylaws (the "**Regulations**") and various administrative resolutions and circulars relating thereto issued by the Ministry of Finance (the "**MOF**") (together, the "**Corporate Taxation Rules**") and Decree Law No. 157 of 2024 Concerning the Taxation of Multinational Enterprises (the "**MNE Law**") and the executive regulations thereto issued under Resolution No. 55 of 2025 (the "**MNE Executive Regulations**" and together with the MNE Law the "**MNE Rules**")).

Tax exemptions relevant to payments under the Notes

Pursuant to Law No. 22 of 2015 (the "**CMA Amendment**") amending Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities (the "**CMA Law**"), yields of securities, bonds, finance sukuk and all other similar securities regardless of the issuer thereof shall be exempted from taxation. This should include taxation under the Corporate Taxation Rules and taxation under the MNE Rules. Additionally, the tax exemptions provided under the CMA Amendment were acknowledged by the recent Administrative Resolution No. 2028 of 2015, issued by the Minister of Finance (the "**Administrative Resolution**", and the CMA Amendment, collectively the "**Tax Exemptions**"). Although the Tax Exemptions are yet to be tested, they appear to provide for a tax exemption to the Noteholders.

It is worth noting that the explanatory memorandum in relation to the exemption provisions in the CMA Amendment (the "**Explanatory Memorandum**") provides that the exemption only relates to issuer which are corporate entities listed on Boursa Kuwait regardless of whether the listed company is a Kuwaiti or non-Kuwaiti entity. The intention behind the foregoing is, according to the Explanatory Memorandum, to encourage issuers of securities to apply for listing on Boursa Kuwait.

However, as per Kuwaiti law, explanatory memoranda are not "legislative instruments" (and tax, as a matter of constitutional law, may only be levied and/or exempt by virtue of statute). The foregoing means that in the event of conflict between the plain and unambiguous language of a statutory provision such as the CMA Amendment with that of its explanatory memorandum such as the Explanatory Memorandum, the Kuwait Courts would not be restricted from arriving at conclusions that support the plain meaning of the statutory provision and contravention with the explanatory memorandum. Therefore, although untested, there appears to be a technical argument, given the clear definitions of "security" and "issuer" under the CMA Law and how the plain language of the text of Article 150(bis) in the CMA Amendment reads, that the term "regardless of issuer" confers an absolute exemption from tax on the returns of securities issued by any issuer whether or not listed on Boursa Kuwait.

However, given the lack of precedent in this regard, it is not possible to state definitively how the DIT and/or the Kuwait Courts may implement or enforce the Tax Exemptions.

Individuals are not subject to any Kuwaiti income tax on their income or capital gains.

Retention

Under the Regulations, a Kuwaiti-based party (including, but not limited to, ministries, authorities and other public juristic persons) making a payment (being referred to in this section as the payer) to any other party (being referred to in this section as the payee), wherever incorporated, is obliged to deduct five per cent. of the amount of each such payment (the "**Retention**") until such time as the MOF - Department of Income Tax ("**DIT**") issues a tax clearance certificate approving the release of such amount. Unlike the position relating to withholding tax, the payer is not required to directly transfer the Retention amount to the DIT

immediately, but instead retains such amount and releases it: (i) to the payee upon presentation to the payer by such payee of a tax clearance certificate from the DIT confirming that the payee is not subject to or is exempt from income tax, or has realised a loss, or has paid or guaranteed the payment of its income tax; or (ii) in the absence of such a tax clearance certificate, to the DIT, on demand. According to a literal interpretation of the Regulations, payments which are subject to a deduction as described above would include principal and interest payments.

The Tax Exemptions do not address the issue of whether or not there remains an obligation to effect a Retention as specified above. Similarly, under the MNE Rules it is not clear whether or not the Retention is required.

Although payments made by the Issuer would likely not be subject to the Retention because of the Tax Exemptions, there is a lack of guidance on this issue currently from the DIT, and as such, there is a possibility that retention could apply. Accordingly, the Issuer could be required to deduct five per cent. from every payment made by it to a Noteholder, which amount would be released by the Issuer upon presentation to it of a tax clearance certificate from the DIT.

Gross up

Regardless of the above, the Noteholders shall be able to rely on the provisions in the Conditions, which requires the Issuer to gross up each payment by an amount equal to any retention, withholding or deduction, irrespective of whether a tax clearance certificate is presented or not.

Other taxes

Save as described above, all payments in respect of the Notes may be made without withholding, deduction or retention for, or on account of, present taxes, duties, assessments or governmental charges of whatsoever nature imposed or levied by or on behalf of Kuwait.

No stamp, registration or similar duties or taxes will be payable in Kuwait by holders of Notes in connection with the issue or any transfer of the Notes.

United Arab Emirates (excluding the Dubai International Financial Centre)

The following summary of the anticipated tax treatment in the UAE in relation to payments on the Notes is based on the taxation law and practice in force at the date of this Base Offering Circular, and does not constitute legal or tax advice. Prospective investors should be aware that the relevant fiscal rules and practice and their interpretation may change. Prospective investors should consult their own professional advisers on the implications of subscribing for, buying, holding, selling, redeeming or disposing of the Notes and the receipt of any payments with respect to such Notes under the laws of the jurisdictions in which they may be liable to taxation.

Under current legislation, there is no requirement for withholding or deduction for or on account of United Arab Emirates or Dubai taxation in respect of payments made by the Guarantor under the documents to which it is a party and/or the Issuer under the Notes.

Dubai International Financial Centre

Pursuant to Article 14 of Law No. (9) of 2004 in respect of the Dubai International Financial Centre (the "**DIFC Law**"), entities licensed, registered or otherwise authorised to carry on financial services in the Dubai International Financial Centre and their employees shall be subject to a zero rate of tax for a period of 50 years from 13 September 2004. This zero rate of tax applies to income, corporation and capital gains tax. In addition, this zero rate of tax will also extend to repatriation of capital and to transfers of assets or profits or salaries to any party outside the Dubai International Financial Centre. Article 14 of the DIFC Law also provides that it is possible to renew the 50-year period to a similar period upon issuance of a resolution by the Ruler of the Emirate of Dubai. As a result no payments by the Issuer under the Notes are subject to any Dubai International Financial Centre tax, whether by withholding or otherwise.

The Proposed Financial Transactions Tax (FTT)

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria,

Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Commission Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Foreign Account Tax Compliance Act

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

SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement dated 3 October 2025 (the "**Programme Agreement**"), agreed with the Issuer and the Guarantor a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Form of the Notes*" and "*Terms and Conditions of the Notes*". In the Programme Agreement, the Issuer (failing which, the Guarantor) has agreed to reimburse the Dealers for certain of their expenses in connection with the update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any securities regulatory authority or any state or other jurisdiction of the United States and may not be offered or sold within the United States or, if Category 2 is specified in the Pricing Supplement, to, or for the account or benefit of, U.S. persons except to certain persons in an offshore transaction in reliance on Regulation S under the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations promulgated thereunder. The applicable Pricing Supplement will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

If Category 2 is specified in the Pricing Supplement each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S of the Securities Act. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes 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.

Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Base Offering Circular or any applicable Pricing Supplement (including any amendment thereto) contains a misrepresentation, **provided that** the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

If applicable, pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI

33-105), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Prohibition of Sales to EEA Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Offering Circular as completed by the 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 EU MiFID II; or

  (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

  (iii) not a qualified investor as defined in 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

If the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the EEA, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Offering Circular as completed by the applicable Pricing Supplement in relation thereto to the public in that Member State, except that it may make an offer of such Notes to the public in that Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to 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: (i) the expression an **offer of Notes to the public** in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and (ii) the expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

United Kingdom

Prohibition of sales to UK Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Offering Circular as completed by the applicable 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 one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in Article 2 of the UK 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Pricing Supplement in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Offering Circular as completed by the applicable Pricing Supplement in relation thereto to the public in the UK except that it may make an offer of such Notes to the public in the UK:

(a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) 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 section 86 of the FSMA,

provided that no such offer of Notes referred to above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision: (i) the expression **an offer of Notes to the public** in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and (ii) the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

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) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

Belgium

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

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**"). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949 as amended)), 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 FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

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 Notes other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Winding Up and Miscellaneous Provisions) (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 purposes of issue, and will not issue or have in its possession for the purposes of issue, in each case whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to any Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

United Arab Emirates (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the UAE (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre) other than in compliance with any laws applicable in the UAE (excluding the Abu Dhabi Global Market and the Dubai International Financial Centre) governing the issue, offering and sale of securities.

Dubai International Financial Centre

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 and will not offer the Notes to any person in the Dubai International Financial Centre unless such offer is:

(a) an "Exempt Offer" in accordance with the (MKT) Module of the Dubai Financial Services Authority rulebook (the "**DFSA Rulebook**"); and

(b) made only to persons who meet the "Professional Client" criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA Rulebook.

Abu Dhabi Global Market

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 and will not offer the Notes to be issued under the Programme to any person in the Abu Dhabi Global Market unless such offer is:

(a) an "**Exempt Offer**" in accordance with the Market Rulebook of the Financial Services Regulatory Authority (the "**FSRA**");

(b) made only to persons who meet the Professional Client criteria set out in Rule 2.4.1 of the Conduct of Business Rulebook of the FSRA rulebook; and

(c) made only in circumstances in which the "Financial Promotion Restriction" set out in section 18(1) of the Financial Services and Markets Regulations 2015 does not apply.

Kingdom of Saudi Arabia

No action has been or will be taken in the Kingdom of Saudi Arabia that would permit a public offering of the Notes. Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "**Saudi Investor**") who acquires any Notes pursuant to an offering should note that the offer of Notes is a private placement under the "Rules on the Offer of Securities and Continuing Obligations" as issued by the Board of the Capital Market Authority (the "**CMA**") resolution number 3-123-2017 dated 27 December 2017, as most recently amended by CMA resolution number 1-94-2025 dated 1 September 2025 (the "**KSA Regulations**"), made through an authorised person licensed by the CMA to carry out arranging activities by the CMA and following a notification to the CMA, in each case in accordance with the KSA Regulations.

The Notes may thus not be advertised, offered or sold to any person in the Kingdom of Saudi Arabia other than to "Sophisticated Investors" under Article 9 of, or as otherwise required or permitted by, the KSA Regulations or by way of a limited offer under Article 10 of, or as otherwise required by, the KSA Regulations. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer of Notes by it to a Saudi Investor will be made in compliance with the KSA Regulations.

Each offer of Notes shall not therefore constitute a "public offer", an "exempt offer" or a "parallel market offer" pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under the KSA Regulations. Any Saudi Investor who has acquired Notes pursuant to a private placement under the KSA Regulations may not offer or sell those Notes to any person unless the offer or sale is made under the KSA Regulations.

Kingdom of Bahrain

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, any Notes except on a private placement basis to persons in the Kingdom of Bahrain who are "accredited investors".

For this purpose, an "**accredited investor**" means:

(a) an individual who has a minimum net worth (either singly or jointly with their spouse) of U.S.$1,000,000 (excluding that person's principal place of residence); or

(b) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.$1,000,000; or

(c) a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund); or

(d) any other entity which is an "accredited investor" as defined in the Central Bank of Bahrain Rulebook.

State of Qatar (including the Qatar Financial Centre)

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, delivered or sold, and will not offer, deliver or sell, directly or indirectly, any Notes in Qatar (including the Qatar Financial Centre), except: (a) in compliance with all applicable laws and regulations of Qatar; and (b) through persons or corporate entities authorised and licensed to provide investment advice and/or engage in brokerage activity and/or trade in respect of foreign securities in Qatar (including the Qatar Financial Centre). This Base Offering Circular (a) has not been and will not be registered or approved by the Qatar Central Bank, the Qatar Stock Exchange, the Qatar Financial Centre Regulatory Authority or the Qatar Financial Markets Authority and may not be publicly distributed in the State of Qatar (including the Qatar Financial Centre); (b) is intended for the original recipient only and must not be provided to any other person; and (c) is not for general circulation in the State of Qatar (including the Qatar Financial Centre) and may not be reproduced or used for any other purpose.

State of Kuwait

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that no Notes will be offered, marketed, and/or sold in the State of Kuwait, unless all necessary approvals from the Kuwait Capital Markets Authority pursuant to Law No. 7 of 2010, and its executive bylaws (each as amended), together with the various resolutions, regulations, directives and instructions issued pursuant thereto or in connection therewith (regardless of nomenclature), or any other applicable law or regulation in the State of Kuwait, have been given in respect of the offering, marketing and/or sale, of the Notes.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge that this Base Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase and will not circulate or distribute this Base Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than: (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA; or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

General

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it offers or sells Notes or possesses or distributes this Base Offering Circular and none of the Issuer, the Guarantor and any other Dealer shall have any responsibility therefor.

None of the Issuer, the Guarantor and any of the Dealers represents that Notes 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 any such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions agreed between the Issuer and the relevant Dealer and set out in the applicable Pricing Supplement.

Persons into whose possession this Base Offering Circular, any Pricing Supplement or any Notes may come must inform themselves about, and observe, any applicable restrictions on the distribution of this Base Offering Circular and the offering and sale of Notes.

GENERAL INFORMATION

Authorisation

The establishment and update of the Programme and the issue of Notes by the Issuer and its entry into the Programme Agreement, the Agency Agreement and the Deed of Covenant have been duly authorised by resolutions of the Board of Directors of the Issuer dated 28 June 2016, 21 June 2017, 20 June 2018, 8 April 2020, 12 July 2021 and 7 September 2025.

The entry into the Programme Agreement, the Agency Agreement and the Deed of Guarantee by the Bank has been duly authorised by a resolution of the Board of Directors of the Guarantor dated 17 August 2025.

Listing of Notes

Application has been made to the London Stock Exchange for Notes issued under the Programme during the 12 months from the date of this Base Offering Circular to be admitted to trading on the ISM.

The ISM is not a regulated market for the purposes of UK MiFIR. The ISM is a market designated for professional investors. The Notes admitted to trading on the ISM are not admitted to the Official List of the FCA. The London Stock Exchange has not approved or verified the contents of this Base Offering Circular.

Notes may also be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or that they will be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer, the Guarantor and the relevant Dealer(s).

Documents Available

For the period of 12 months from the date of this Base Offering Circular, copies of the following documents will, when published, be available for inspection or collection, in physical format or provided to holders in electronic form, from the registered office of each of the Issuer and the Guarantor and from the specified office of the Paying Agent for the time being in London:

(a) the Agency Agreement (including the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons), the Deed of Guarantee and the Deed of Covenant;

(b) the Memorandum and Articles of Association of the Issuer and the constitutional documents (with an English translation thereof) of the Bank;

(c) the Annual Financial Statements;

(d) the most recently published unaudited interim condensed consolidated financial information (if any) of the Group, together with any review report prepared in connection therewith;

(e) this Base Offering Circular; and

(f) any future offering circulars, prospectuses, information memoranda, supplements, Pricing Supplement (save that a Pricing Supplement relating to a Note which is neither admitted to trading on the ISM or a regulated market in the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Notes and identity to this Base Offering Circular and any other documents incorporated herein or therein by reference).

This Base Offering Circular will be available for viewing on the website of the London Stock Exchange at http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html. The Agency Agreement, Deed of Guarantee, Deed of Covenant, the Memorandum and Articles of Association of the Issuer, the Annual Financial Statements and the most recently published unaudited interim condensed consolidated financial statement will be available for viewing at https://www.burgan.com/aboutus/Pages/Investor-Center.aspx. The constitutional documents (with an English translation thereof) of the Bank will be available for viewing at https://www.burgan.com/aboutus/Pages/Anti-Money-Laundering.aspx.

Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Pricing Supplement.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

Conditions for determining price

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

Significant or Material Change

There has been no significant change in the financial performance or financial position of the Issuer and no material adverse change in the financial position or prospects of the Issuer, in each case, since the date of its incorporation.

There has been no significant change in the financial performance or financial position of the Bank or the Group since 30 June 2025 and there has been no material adverse change in the financial position or prospects of the Bank or the Group since 31 December 2024.

Litigation

The Issuer is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) since the date of its incorporation which may have or have in such period had a significant effect on the financial position or profitability of the Issuer.

Neither the Bank nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Bank is aware) in the 12 months preceding the date of this Base Offering Circular which may have or have in such period had a significant effect on the financial position or profitability of the Bank or of the Group.

Auditors

Since the date of its incorporation, no financial statements of the Issuer have been prepared. The Issuer is not required by the laws of the Dubai International Financial Centre, and does not intend, to publish audited financial statements or appoint any auditors.

The current auditors of the Bank are KPMG (KPMG Safi Al-Mutawa & Partners) whose business address is Al Hamra Tower, 25th Floor, Abdulaziz Al Saqr Street, P.O. Box 24, Safat 13001, Kuwait and RSM (RSM Albazie & Co.) whose business address is Arraya Tower 2, Floors 41 & 42, Abdulaziz Hamad Alsaqar Street, Sharq, P.O. Box 2115, Safat 13022, Kuwait. Each of KPMG and RSM is regulated in Kuwait by the Kuwait Ministry of Commerce and Industry and the CMA and each of whom is a registered auditor licensed to act as an auditor in Kuwait by the Kuwait Association of Accountants and Auditors.

The consolidated financial statements of the Group as at and for the years ended 31 December 2024 and 31 December 2023 have been jointly audited with RSM in accordance with International Standard on Auditing as stated in their report incorporated by reference herein.

Dealers transacting with the Issuer and the Guarantor

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer, the Guarantor and their respective affiliates in the ordinary course of business for which they may receive fees.

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

Cayman Islands Data Protection

The Cayman Islands Government enacted the Data Protection Law, 2017 of the Cayman Islands (the "**DPL**") on 18 May 2017 which was brought into force on 30 September 2019. The DPL introduces legal requirements for the Issuer based on internationally accepted principles of data privacy.

Prospective investors should note that, by virtue of making investments in the Notes and the associated interactions with the Issuer and its affiliates and/or delegates, or by virtue of providing the Issuer with personal information on individuals connected with the investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents) such individuals may be providing the Issuer and its affiliates and/or delegates (including, without limitation, the Corporate Service Provider) with certain personal information which constitutes personal data within the meaning of the DPL. The Issuer shall act as a data controller in respect of this personal data and its affiliates and/or delegates, such as the Corporate Service Provider, may act as data processors (or data controllers in their own right in some circumstances).

For further information on the application of the DPL to the Issuer, please refer to the Privacy Notice (a copy of which may be requested from the Corporate Service Provider by email at dubai@maples.com), which provides an outline of investors' data protection rights and obligations as they relate to the investment in the Notes.

Oversight of the DPL is the responsibility of the Ombudsman's office of the Cayman Islands. Breach of the DPL by the Issuer could lead to enforcement action by the Ombudsman, including the imposition of remediation orders, monetary penalties or referral for criminal prosecution.

INDEX OF DEFINED TERMS

2019 Annual Financial Statements iii
2020 Annual Financial Statements iii
2021 Interim Financial Statements iii
Accrual Period 38
Adjusted Renminbi Fixed Rate Note 37
Administrative Resolution 98
AGB 9
Agency Agreement 33
Agents 34
Amendment 98
AML 12
Annual Financial Statements iii
APMs v
Article 150 (bis) 24
Bahrain ii
Bank 1
Base Offering Circular 1, 74
Basel Committee 10
BBSW 42
BBT 9
Bearer Notes 1, 33
Belgian Consumer 104
Benchmark Amendments 48
Board 9
BoB 9
C(WUMP)O 104
Calculation Agent 83
Capital Markets Authority vii
CBB viii
CBK iii
CBK Law 92
Clearstream, Luxembourg 21, 35
CMA ..... ix, 105
CMA Approval ix
CMA Law Amendment 98
CML Rules ix
CNH HIBOR 42
COBS 73
Code 25, 53
Commission's Proposal 99
Common Depositary 70
Conditions 33
Corporate Governance Rules 95
Corporate Service Provider 87
Corporate Services Agreement 87
Council of Ministers 15
Coupons 33
CSB 2
Dealer 1
Dealers 1
Deed of Covenant 34, 72
Deed of Guarantee 33, 36
Deposit Guarantee Law 97
Designated Account 54
Designated Bank 54
DFSA 105
DIFC Law 99
Dispute 68
distributor ..... x, 73, 74
DIT 24
Documents 25
D-SIB 10
DZD iv
EEA 1, 34, 73
EIBOR 42
ESMA 1
ESMA Guidelines v
EU Benchmarks Regulation 1
EU CRA Regulation 1
EURIBOR 41
Euroclear 21, 35
EUWA 1, 73
Event of Default 62
Exchange Date 70
Exchange Event 70
EY Kuwait iv
FCA announcement 16
FIEA 104
Pricing Supplement 1
Financial Statements iii
first person 37
Fitch 1
foreign passthru payments 100
FSMA 29
FSO 93
FSR 93
GATT 12
GCC 2
GDP 2
Global Note 33
Government 2
Group iii
Guarantor 1, 33
Gulf Bank 8
HIBOR 42
IA Determination Cut-Off Date 47
IBA 16
IBA announcement 16
IFRS iii
IGAs 100
IMF 2
Instructions 10
Insurance Distribution Directive ..... ix, 73
Interest Amount 50
Interest Payment Date 39
Investor's Currency 23
IQD iv
ISDA 40
ISDA Definitions 40
Issuer 1, 33
Issuing and Principal Paying Agent 33
JPY LIBOR 42

KD iv
KIA 8
KIPCO 8
KLIBOR 42
KPMG Kuwait iv
KSA Regulations 105
Kuwait ii
Kuwaiti Courts 25
Kuwaiti Dinar Basket 3
KYC 12
LCIA 68
LCIA Rules 25
LCR 93
Limited Parties 68
MENAT 1
MiFID II 1, 73
MOCI 96
Moody's 1
Moody's Cyprus 1
National Assembly 15
New York Convention 26
Non-GAAP measures iv
Notes 1
NSFR 93
OFAC 12
Official List 1
OPEC 2
other currency 66
participating Member States 99
Paying Agents 33
PBOC 19
Permanent Bearer Global Note 70
PRC Government 19
PRIBOR 42
PRIIPs Regulation ..... ix, 73
Programme 1
Programme Agreement 101
Prospectus Regulation 1, 33, 73, 74
Put Notice 59
Qatar ii
Record Date 54
Redeemed Notes 59
Register 54
Registered Global Note 71
Registered Notes 1, 33
Registered Office Agreement 87
Registrar 33
Regulation S 70
Regulations 98
Renminbi Notes 19
RMB Clearing Bank 20
RSM Kuwait iv
Rules 68
S&P 1
SAIBOR 42
Saudi Arabia ii
Saudi Investor 105
second person 37
Securities Act i
Security Interest 36
Selection Date 59
Settlement Agreements 20
SFA 74
SFO 104
SHIBOR 42
SIBOR 42
SOFR 18, 42
SOFR Determination Time 44, 45
Specified Currency 34
Specified Denomination(s) 34
Stabilisation Manager(s) x
Talons 33
TARGET2 System 40
Taxation Laws 98
Taxes 61
Temporary Bearer Global Note 70
TIB 9
TIBOR 42
Transfer Agents 33
TRLIBOR 42
TRY iv
TRYLIBOR 42
U.S.$ iv
UAE ii
UK 1, 73
UK Benchmarks Regulation 16
UK CRA Regulation 1
UK Delegated Regulation 28
UK MiFIR 73
UK MiFIR Product Governance Rules ..... x, 74
UK PRIIPs Regulation ..... ix, 73
UK Prospectus Regulation 73
VAT Framework 25
WTO 12

ISSUER

Burgan Senior SPC Limited
c/o Maples Fund Services (Middle East) Limited
Office 1407, 14th Floor, Burj Daman, DIFC
P.O. Box 506734
Dubai
United Arab Emirates

GUARANTOR

Burgan Bank K.P.S.C.
Al Sharq – Abdullah Al Ahmed Street
Burgan Tower
P.O. Box 5389, Al Safat 12170
Kuwait

ISSUING AND PRINCIPAL PAYING AGENT AND TRANSFER AGENT

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

REGISTRAR, PAYING AGENT AND TRANSFER AGENT

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

LEGAL ADVISERS

To the Issuer and the Guarantor as to English law and DIFC law

Allen Overy Shearman Sterling LLP

11th Floor
Burj Daman Building
Al Mustaqbal Street
Dubai International Financial Centre
P.O. Box 506678
Dubai
United Arab Emirates

To the Issuer and the Guarantor as to Kuwaiti Law

ASAR – Al-Ruwayeh & Partners

Assima Tower, Floor 37
Othman Bin Affan Street, Mirqab
P.O. Box 447
Safat 13005
Kuwait

To the Dealers as to English law

Clifford Chance LLP

ICD Brookfield Place, Level 32
Dubai International Financial Centre (DIFC)
P.O. Box 9380
Dubai
United Arab Emirates

To the Dealers as to Kuwaiti law

International Counsel Bureau

Al Hamra Business Tower, 58th Floor
Sharq, Kuwait City
P.O. Box 2094
Safat 13070
Kuwait

AUDITORS TO THE GUARANTOR

KPMG
(KPMG Safi Al-Mutawa & Partners)
Al Hamra Tower, 25th Floor
Abdulaziz Al Saqr Street
P.O. Box 24, Safat 13001, Kuwai

RSM
(RSM Albazie & Co.)

Arraya Tower 2, Floors 41 & 42 Abdulaziz Hamad Alsaqar Street, Sharq
P.O. Box 2115, Safat 13022, Kuwait

ARRANGERS

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

Standard Chartered Bank
7th Floor, Building One, Gate Precinct
Dubai International Financial Centre
P.O. Box 999
Dubai
United Arab Emirates

DEALERS

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

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

Kamco Investment Company K.S.C.P.
Al-Shaheed Tower
Khaled Ibn Al-Waleed Street
P.O. Box 28873, Safat 13149
Sharq
State of Kuwait

Mizuho International plc
30 Old Bailey
London EC4M 7AU

Standard Chartered Bank
7th Floor, Building One, Gate Precinct
Dubai International Financial Centre
P.O. Box 999
Dubai
United Arab Emirates