



## FINAL TERMSHEET

Autocall Equity-linked Notes linked to a basket of shares due **04 Dec 2025** (the “**Securities**”) to be issued by CSI Financial Products Limited pursuant to the U.S.\$15,000,000,000 Global Securities Programme

This is a structured product which involves derivatives. Do not invest in it unless you fully understand and are willing to assume the risks associated with it. If you are in any doubt about the risks involved in the product, you may clarify with the intermediary or seek independent professional advice.

The principal amount of the Securities is at risk, and investors are subject to, amongst others, market risk, investment risk, and credit risk of the issuer and the guarantor. Investors may lose some, or in the worst case scenario, all of the principal amount invested in the Securities.

The Securities may only be offered in Hong Kong to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571 of The Laws of Hong Kong) and any rules made thereunder.

The Securities may not be offered or sold to any person in Singapore other than (i) to an institutional investor pursuant to Section 274 of the Securities and Futures Act 2001 of Singapore (“SFA”), (ii) to a relevant person pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

**Warning:** The contents of this termsheet have not been reviewed by any regulatory authority of Hong Kong, Singapore or any other jurisdiction. Investors are advised to exercise caution in relation to any offer. If an investor is in any doubt about any of the contents of this document, the investor should obtain independent professional advice.

This is a complex product. Investors should exercise caution when investing in this product.

### **PRODUCT:**

<b>Issuer:</b>	CSI Financial Products Limited
<b>Securities Guarantor:</b>	CITIC Securities International Company Limited (with a long-term corporate credit rating of “BBB+” and a short-term corporate credit rating of “A-2” with no negative implications by S&P as of the Trade Date)
<b>ISIN:</b>	<b>XS2915153717</b>
<b>Common Code:</b>	<b>291515371</b>
<b>Valoren:</b>	
<b>Settlement Currency:</b>	<b>USD</b>
<b>Aggregate Nominal Amount:</b>	<b>USD 100,000</b>
<b>Issue Price:</b>	<b>100%</b> of the Aggregate Nominal Amount
<b>Specified Denomination:</b>	<b>USD 50,000</b>
<b>Minimum Transferable Number of Securities:</b>	<b>1</b>

**Redemption/Payment Basis:** Equity-linked

**DATES:**

**Trade Date:** 18 Nov 2024

**Issue Date:** 02 Dec 2024

**Final Valuation Date:** 02 Dec 2025 or if such day is not a Basket Scheduled Trading Day, the next following Basket Scheduled Trading Day.

**Maturity Date:** 2 Business Days after the Final Valuation Date which is the last to occur, expected to be 04 Dec 2025, subject to early redemption in accordance with the “Autocall Provisions” below.

**SHARE BASKET:**

I	Share Issuer	Bloomberg code	Initial Price	Put Strike Price	Knock-in Barrier Price	Knock-out Barrier Price	Exchange	Related Exchange	Reference Currency
1	ICICI Bank Ltd	IBN UN Equity	USD 29.7500	USD 25.2875 (85.0000% of its Initial Price)	USD 22.3125 (75.0000% of its Initial Price)	USD 29.7500 (100.0000% of its Initial Price)	New York Stock Exchange	All Exchanges	USD
2	Infosys Ltd	INFY UN Equity	USD 21.6000	USD 18.3600 (85.0000% of its Initial Price)	USD 16.2000 (75.0000% of its Initial Price)	USD 21.6000 (100.0000% of its Initial Price)	New York Stock Exchange	All Exchanges	USD

**FIXED COUPON(S):**

**Interest Amount:** If no event that may lead to the early redemption or termination of the Securities has occurred before the relevant Interest Determination Date, then in respect of each Security and on each relevant Interest Payment Date, the Issuer shall pay the holder of the Security an amount determined by the Calculation Agent in accordance with the formula below:

$$\text{Specified Denomination} \times 4.9500\%$$

For the avoidance of doubt, the annualized interest rate is 9.9000% per annum.

**Interest Payment Date:** Each date as set out in the table below, provided that if any such day is not a Currency Business Day, it shall be adjusted to the next following Currency Business Day.

k	Interest Determination Date	Interest Payment Date
1	02 Jun 2025	04 Jun 2025
2	02 Dec 2025	04 Dec 2025

**REDEMPTION:**

**Redemption Amount:**

- (i) **Redemption Provisions:** Unless previously redeemed or purchased and cancelled and subject to the “Autocall Provisions” below, the Issuer shall redeem each Security (a) by payment of the Redemption Amount on the Maturity Date (“**Cash Settlement**”), or (b) by physical delivery of the Share Amount of the Final Worst Performing Share on the Share Delivery Date, and payment of the Fractional Cash Amount on the Maturity Date (“**Physical Settlement**”). For the avoidance of doubt, if a Knock-out Event occurs on

any Knock-out Observation Date (k) (which includes the Final Valuation Date), the Securities will not be redeemed in accordance with these Redemption Provisions but will be redeemed in accordance with the “Autocall Provisions” below.

If the Calculation Agent determines that:

- (1) a Knock-in Event has ever occurred during the term of the Securities and the  $WO_{Final}$  is below the  $WO_{Strike}$ , then Physical Settlement will apply; or
- (2) otherwise, Cash Settlement will apply.

**Cash Settlement:**

- (a) **Redemption Amount:** An amount in the Settlement Currency calculated by the Calculation Agent in accordance with the following formula:

$$\text{Specified Denomination} \times 100\%$$

- (b) **Initial Price:** In respect of each Share (i) in the Share Basket, as specified in the table above.
- (c) **Final Price:** In respect of each Share (i) in the Share Basket, the official closing price of such Share (i) as quoted by the relevant Exchange on the Final Valuation Date.
- (d) **Put Strike Price:** In respect of each Share (i) in the Share Basket, as specified in the table above.
- (e) **Valuation Date(s):** Each Basket Scheduled Trading Day during the period from (and including) the Trade Date to (and including) the Final Valuation Date.
- (f) **Final Worst Performing Share:** In respect of the Final Valuation Date and each Share (i) in the Share Basket, the Share in the Share Basket that has the lowest value on the Final Valuation Date as calculated based on the following formula:

$$\frac{\text{Final Price of the relevant Share (i)}}{\text{Initial Price of such Share (i)}}$$

If two or more of the Shares have the same value, the Calculation Agent shall select the Final Worst Performing Share in its sole discretion.

- (g) **Basket Scheduled Trading Day:** Each day which is a Scheduled Trading Day for all Shares in the Share Basket.
- (h)  **$WO_{Final}$**  The Final Price of the Final Worst Performing Share.
- (i)  **$WO_{Strike}$**  The Put Strike Price of the Final Worst Performing Share.
- (j) **Worst Performing Share:** In respect of a Valuation Date and each Share (i) in the Share Basket, the Share in the Share Basket that has the lowest value on such Valuation Date as calculated based on the following formula:

$$\frac{\text{Official closing price of the relevant Share (i) on such Valuation Date}}{\text{Initial Price of such Share (i)}}$$

If two or more of the Shares have the same value, the Calculation Agent shall select the Worst Performing Share in its sole discretion.

- (k) **Knock-in Event:** A Knock-in Event shall be deemed to have occurred if on any Valuation Date, the official closing price of the Worst Performing Share is below its Knock-in Barrier Price, as determined by the Calculation Agent.

- (l) **Knock-in Barrier Price:** In respect of each Share (i) in the Share Basket, as specified in the table above.

**Physical Settlement:**

- (a) **Share Amount:** If Physical Settlement applies, in respect of each Security, the number of Shares of the Final Worst Performing Share equal to the Ratio rounded down to the nearest integral number of Shares of the Final Worst Performing Share.
- (b) **Reference Currency:** In respect of each Share (i) in the Share Basket, as specified in the table above.

- (c) **Exchange Rate:** In respect of the Final Valuation Date, the prevailing rate of exchange of the Reference Currency in which the Final Worst Performing Share is denominated for the Settlement Currency as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner.

For the avoidance of doubt, if the Reference Currency equals the Settlement Currency, Exchange Rate is 1.

- (d) **Ratio:** The number of Shares calculated by the Issuer in accordance with the following formula:

$$\frac{\text{Specified Denomination}}{W_{\text{Strike}} \times \text{Exchange Rate}}$$

- (e) **Fractional Share Amount:** Any fractional interest in such Shares of the Final Worst Performing Share forming part of the Ratio that is less than an integral number of such Shares of the Final Worst Performing Share.

- (f) **Fractional Cash Amount:** An amount in the Settlement Currency (rounded to 4 decimal places, with 0.00005 being rounded upwards) calculated by the Issuer in accordance with the following formula:

$$W_{\text{Final}} \times \text{Fractional Share Amount} \times \text{Exchange Rate}$$

- (g) **Share Delivery Date:** As determined in accordance with the Asset Terms and Conditions for Equity-linked Securities.

- (h) **Delivery Agent:** CITIC Securities International Capital Management Limited  
中信證券國際資本管理有限公司

- (ii) **Autocall Provisions:** If a Knock-out Event has occurred on any Knock-out Observation Date (k), the Issuer shall redeem each Security at the Knock-out Redemption Amount on the Knock-out Redemption Date (k) corresponding to the Knock-out Observation Date (k) on which a Knock-out Event has first occurred.

- (a) **Knock-out Redemption Amount:** In respect of each Security and a Knock-out Observation Date (k) on which a Knock-out Event has first occurred, an amount in the Settlement Currency calculated by the Calculation Agent in accordance with the following formula:

$$\text{Specified Denomination} \times 100\%$$

- (b) **Knock-out Event:** A Knock-out Event shall be deemed to have occurred if on any Knock-out Observation Date (k), the official closing price of the Worst Performing Share for such Knock-out Observation Date (k) is at or above the applicable Knock-out Barrier Price (k) for such Worst Performing Share, as determined by the Calculation Agent.

- (c) **Knock-out Observation Date:** As set out in the table below, provided that if any such day is not a Basket Scheduled Trading Day, it shall be adjusted to the next following Basket Scheduled Trading Day:

k	Knock-out Observation Date (k)	Knock-out Redemption Date (k)	Knock-out Barrier Price % (k)	Knock-out Barrier Level (k) for Share <sub>i</sub> (i = 1)	Knock-out Barrier Level (k) for Share <sub>i</sub> (i = 2)
1	02 Jun 2025	04 Jun 2025	100.0000%	29.7500	21.6000
2	02 Dec 2025	04 Dec 2025	100.0000%	29.7500	21.6000

Each Knock-out Observation Date (k) shall be deemed to be a Valuation Date for the purposes of the Asset Terms and Conditions for Equity-linked Securities, and is subject to postponement upon the occurrence of a Disrupted Day with respect to the Worst Performing Share.

- (d) **Knock-out Barrier Price:** In respect of a Knock-out Observation Date (k) and the Worst Performing Share with respect to such Knock-out Observation Date (k), the price as set out in the table under the “Knock-out Observation Date” provision above.
- (e) **Knock-out Redemption Date:** The date corresponding to the relevant Knock-out Observation Date (k) on which a Knock-out Event has first occurred, as set out in the table under the “Knock-out Observation Date” provision above, provided that (i) if any such date is not a Currency Business Day, it shall be adjusted to the next following Currency Business Day, and (ii) if the corresponding Knock-out Observation Date (k) is postponed with respect to any Share in the Share Basket following the occurrence of a Disrupted Day, the relevant Knock-out Redemption Date (k) shall be postponed accordingly.

#### **OTHER TERMS:**

##### **Disrupted Day and consequences of Disrupted Day:**

In the event that any Valuation Date is a Disrupted Day (as defined in the Asset Terms and Conditions for Equity-linked Securities in the Base Programme Document) for any Share in the Share Basket, then such Valuation Date for each Share not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and such Valuation Date for each Share affected by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day, unless the Issuer determines that each of the eight consecutive Scheduled Trading Days for such Share is a Disrupted Day relating to that Share. In that case, the Calculation Agent will determine its good faith estimate of the value for such Share as of the Valuation Time on that eighth Scheduled Trading Day.

##### **Adjustments and Extraordinary Events:**

The Issuer may make such adjustment to the Securities as it may, in its sole and absolute discretion, determine to be appropriate, under a variety of conditions and/or circumstances set forth in the Asset Terms and Conditions for Equity-linked Securities and this termsheet, such as, upon the occurrence of: (i) a Potential Adjustment Event (e.g. share subdivision, bonus issue, right issue or an event having a diluting or concentrating effect on the theoretical value of a Share); (ii) a Merger Event, a Tender Offer, a Nationalisation, a Delisting, an Insolvency; (iii) an Additional Disruption Event; (iv) a Jurisdictional Event; or (v) a subsequent correction of a published Share Price in respect of a Share or a Share Issuer. The Issuer has the sole and absolute discretion to make adjustment and determination as it considers appropriate and any such discretion exercised by the Issuer shall be binding on the investors. The Issuer will not take into account individual circumstances in exercising discretion.

##### **Early Redemption:**

The Issuer may early redeem the Securities prior to the Maturity Date upon notice to investors under a variety of conditions and/or circumstances set forth in the Base Programme Document (including the Asset Terms and Conditions for Equity-linked Securities) and this termsheet, such as (i) illegality in respect of its performance of its obligations under the Securities or any relevant hedging arrangements or upon the occurrence of a Tax Event or a Regulatory Event or (ii) upon the occurrence of a Merger Event, a Tender Offer, a Nationalisation, a Delisting, an Insolvency or an

Additional Disruption Event. If the Issuer elects to early redeem the Securities, each Security will be redeemed at the Early Payment Amount.

In addition, holders of the Securities may, by notice in writing given to the Fiscal Agent at its specified office, declare the Securities immediately due and payable in case of an Event of Default under the conditions and/or circumstances set forth in the Base Programme Document. Please refer to General Condition 8 of the Base Programme Document for more details.

**Additional Disruption Events:** The following Additional Disruption Events are applicable: Change in Law, FX Disruption, Insolvency Filing, Hedging Disruption and Increased Cost of Hedging.

## **GENERAL PROVISIONS:**

**Financial Centre(s):** New York

**Listing:** Not Applicable

**Fiscal Agent:** China Construction Bank (Asia) Corporation Limited

**Calculation Agent:** CITIC Securities International Capital Management Limited  
中信證券國際資本管理有限公司

**Clearing Agent:** Euroclear and Clearstream, Luxembourg

**Issuing and Paying Agent:** China Construction Bank (Asia) Corporation Limited

**Transfer Agent and Registrar:** China Construction Bank (Asia) Corporation Limited

**Dealer:** CITIC Securities International Global Markets Limited  
中信證券國際全球市場有限公司

**Governing Law:** Hong Kong law

**Final Documentation:** This termsheet is only an indicative summary of terms and conditions of the Securities. The terms and conditions applicable to the Securities are set out in the final terms to be issued in respect of the Securities on or around the Issue Date (the “**Final Terms**”) which supplements and amends, and accordingly should be read together with the terms and conditions in the Base Programme Document dated 22 December 2021 (as supplemented from time to time) relating to the Issuer’s Global Securities Programme (the “**Base Programme Document**” which is available at our website: <https://www.clsa.com/notices-and-policies/>) (together with the Final Terms, the “**Final Documentation**”). In the event of any inconsistency between this termsheet and the Final Documentation, the Final Documentation will prevail.

A copy of the Base Programme Document is available on request.

**General Selling Restrictions:** No action has been or will be taken by the Issuer that would permit a public offering of any Securities or possession or distribution of any offering material in relation to any Securities in any jurisdiction where action for that purpose is required. Each purchaser of the Securities must observe all applicable laws and regulations in any jurisdiction in which it may offer, sell or deliver the Securities and it may not, directly or indirectly offer, sell, resell, reoffer or deliver any Securities in violation of any applicable laws and regulations or which would result in the issuance of the Securities becoming or being deemed to be a public offer.

**Hong Kong Selling Restrictions:** No person:

- (a) has offered or sold and will offer or sell in Hong Kong, by means of any document, any Securities except for Securities which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong other than (i) to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance or (ii) in other circumstances which do not result in the document being a “prospectus” as

defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

- (b) has issued or had in its possession for the purposes of issue, or will issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

**Singapore Selling Restrictions:**

This document and the Base Programme Document have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Securities may not be offered or sold, nor may the Securities be the subject of an invitation for subscription or purchase, nor may this document, the Base Programme Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Securities be circulated or distributed, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulation 2018 of Singapore.

**US Selling Restrictions:**

The Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or the securities laws of any state of the United States. Accordingly, the Securities may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act) except in certain transactions exempt from the registration requirements of the Securities Act.

**Tax:**

A summary of the taxation information is set out in the Base Programme Document. The summary is intended only as a general guide to certain limited Hong Kong tax considerations and does not purport to be a complete analysis of all potential tax consequences relating to the Securities. The summary is intended to be for information purposes only. Prospective holders of Securities should obtain their own professional tax advice in all relevant jurisdictions about their particular tax treatment in relation to such Securities.

**Fee Disclosure:**

Further information on any discount to the issue price or fee provided by the Issuer or the Dealer to a distributor (if applicable) may be provided by the distributor upon request from time to time.



## Risk Factors and Disclaimers

**This termsheet is for private discussion purposes only and is not an offer or solicitation to sell or purchase any securities or an agreement, offer, solicitation of an offer or a commitment to underwrite, arrange, lend or to enter into any transaction.** This termsheet is an indicative summary of some major terms and conditions of the Securities only and neither the Dealer (or any of its affiliates) nor the investors will be legally bound until both parties agree to enter into a transaction. All terms and conditions contained in this termsheet are subject to and will be superseded by the final documentation of the Securities which will prevail.

This is a structured product. Do not invest in it unless you fully understand and are willing to assume the risks associated with it. None of the Dealer and its affiliates is acting as a fiduciary for, or an adviser to, any investor in respect of the Securities. This termsheet is provided on the basis that you have the capability to make your own independent evaluation of the financial, market, legal, regulatory, credit, tax and accounting risks and consequences involved in the securities referred to in this termsheet and its suitability for your purposes and, to the extent permitted by applicable law, neither the Dealer nor any of its affiliates accepts any responsibility or liability in this regard. If you are in any doubt about any of the contents of this termsheet, you should obtain independent professional advice. If you are in any doubt about the risks involved in the product, you should clarify these with your sales representative or seek independent professional advice. None of the Dealer and its affiliates makes any representation as to the suitability or appropriateness of the Securities for any particular potential investor or as to the future performance of the Securities. No representation or warranty is made that any indicative performance or return indicated will be achieved in the future.

The Securities are NOT equivalent to time deposits and are NOT protected deposits and are NOT protected by any deposit protection scheme in Hong Kong, Singapore or any other jurisdiction.

The risk factors below highlight only some of the risks of the Securities and must be read in conjunction with the risk factor sections in the Base Programme Document.

**Credit risk:** Investors in the Securities are exposed to the creditworthiness of the Issuer and the Securities Guarantor.

**Limited liquidity:** There can be no assurance as to how any Securities will trade in the secondary market or whether such market will be liquid or illiquid. No assurance can be given that there will be a market for any Securities.

The Issuer may, but is not obliged to, provide limited secondary market for the Securities. There may be no secondary market at all and holders of Securities may not be able to sell the Securities.

**Volatility:** The market value of the Securities will be affected by a number of factors independent of the creditworthiness of the Issuer and the Securities Guarantor, including but not limited to, the value and volatility of the underlying asset(s). The value of the Securities at redemption may be less, and can be substantially less, than the amount of the original investment. In extreme circumstances, investors may lose all of their initial investment.

**Risks associated with shares:** The performance of shares is dependent upon macroeconomic factors, such as interest and price levels of the capital markets, currency developments, political factors as well as company-specific factors such as creditworthiness of the Share Issuer, earnings position, market position, risk situation, shareholder structure and distribution policy, which may in turn adversely affect the value of the Securities.

**Capital at risk:** Investors' investment amount is at risk. Investors may receive an amount substantially less than the capital invested or, in extreme circumstances, zero. Investors should not purchase the Securities unless they accept the risk of losing all of their initial investment.

**Potential return is limited:** Potential return on the Securities is limited. Investors should therefore consider whether they should invest in the Securities in view of limited return and the potential risks associated with the Securities.

**No rights of ownership in an underlying asset:** Investors should be aware that an underlying asset will not be held by the Issuer for the benefit of the holders of Securities and, as such, holders of Securities will have no rights of ownership with respect to any underlying asset referenced by such Securities.

**Exchange rate risk:** There may be an exchange rate risk in respect of Securities where the amount payable is converted from one currency to another. Fluctuation in foreign exchange rates, foreign political and economic developments or so may affect investors' investment return on the Securities.

**Autocall/Early redemption risk:** Under the terms of the Securities, if a Knock-out Event occurs on any Knock-out Observation Date (k), the Issuer shall redeem each Security at the Knock-out Redemption Amount on the Knock-out Redemption Date (k) corresponding to the Knock-out Observation Date (k) on which a Knock-out Event has first occurred. Upon the occurrence of a Knock-out Event, the Securities will be early redeemed at the Knock-out Redemption Amount per Security.

**Physical Delivery:** If Physical Settlement is applicable, the Securities may be redeemed at maturity by the delivery of the underlying share(s). Investors are exposed to the issuer of, and the risks associated with, such underlying share(s). The value of

such underlying share(s) may be less than the invested amount and may be worthless. Any fluctuations in the price of the underlying share(s) to be delivered after the end of the term of the Securities will be borne by the investors until the actual delivery. Further, investors may be subject to documentary or stamp taxes in relation to the delivery. Settlement disruption may occur and the Issuer may elect to (i) postpone the delivery date and/or (ii) effect delivery through an alternate manner and/or (iii) pay a cash amount instead.

**Adjustments, early redemption or cancellation of Securities:** In certain circumstances, the Issuer may make adjustments to the terms of the Securities or redeem or cancel them at their Early Payment Amount as determined by it without the consent of the holders of Securities. Such Early Payment Amount may be less than the issue price of the Securities and could be as low as zero.

**Risks related to adjustments:** Unless otherwise specified in the relevant Final Terms, all calculations and determinations made by the Issuer or the Calculation Agent shall be made in good faith and in a commercially reasonable manner. The Issuer or the Calculation Agent will however not take into account individual circumstances in making the relevant determinations. Such calculation and determinations by the Issuer or the Calculation Agent will be binding on the investors.

**Potential U.S. Withholding on Dividend Equivalent Payments:** Under Section 871(m) of the U.S. Code and the U.S. Treasury regulations thereunder (“**Section 871(m)**”), a “dividend equivalent” payment is treated as a dividend from sources within the United States and will be subject to U.S. withholding tax at a rate of 30 per cent. when paid. A “dividend equivalent” payment generally includes a payment (or deemed payment) that is contingent upon, or determined by reference to, the payment of a U.S.-source dividend under certain financial instruments. An instrument whose economic characteristics are sufficiently similar to those of an underlying or referenced U.S. security that pays U.S.-source dividends under tests provided in applicable U.S. Treasury regulations will generally be subject to the Section 871(m) regime (such an instrument, a “**Specified ELI**”). The tests applicable for determining whether an instrument is a Specified ELI will depend on the terms of the relevant instrument and the date on which the instrument is issued, and may be subject to redetermination in connection with certain modifications of the instrument. Similarly, if additional Securities of the same series are issued (or deemed issued for U.S. tax purposes, such as certain sales of Securities out of inventory) after the original issue date, the U.S. Internal Revenue Service (“**IRS**”) could treat the issue date for determining whether the existing Securities are Specified ELIs as the date of such subsequent sale or issuance.

Pursuant to recent IRS guidance, Section 871(m) will not apply to certain financial instruments issued prior to 1 January 2025 if such financial instruments are not “delta one” transactions. With respect to financial instruments issued on or after 1 January 2025, a financial instrument will be a Specified ELI subject to Section 871(m) if such instrument has a delta of 0.8 or greater with respect to an underlying security. However, the Section 871(m) regulations provide certain broadly applicable exceptions to characterization as Specified ELIs, in particular for certain instruments linked to certain broad-based indices. The “delta” of a financial instrument is the ratio of the change in the fair market value of such instrument to the change in the fair market value of the property referenced by such instrument.

Withholding in respect of dividend equivalents will generally be required when cash payments are made under a Specified ELI or upon the date of maturity, lapse or other disposition of the Specified ELI. If the underlying or referenced U.S. security or securities are treated as paying dividends during the term of the Specified ELI, withholding generally will still be required even if the Specified ELI does not provide for payments explicitly linked to such dividends.

As discussed above, FATCA would impose withholding tax at a rate of 30 per cent. on any payments in respect of a Security that are treated as dividend equivalent payments when paid to persons that fail to meet certain certification, reporting, or related requirements. While a payment with respect to a Security could be subject to U.S. withholding under both FATCA and as a result of being treated as a dividend equivalent payment, the maximum rate of U.S. withholding on such payment would not exceed 30 per cent.

The Issuer has determined that the Securities are not Specified ELI at the time the Securities are issued. The Issuer’s determination is binding on holders of the Securities, but is not binding on the IRS. In the event that any withholding would be required pursuant to Section 871(m) with respect to payments on the Securities, no person will be required to pay any additional amounts with respect to amounts so withheld. Additionally, the Issuer may withhold the full 30 per cent. tax on any payment on the Securities in respect of any dividend equivalent arising with respect to such Securities regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law (including, for the avoidance of doubt, where a holder of the Securities is eligible for a reduced tax rate under an applicable tax treaty with the United States). A holder of the Securities may be able to claim a credit against its U.S. federal income tax liability for such withholding and may be entitled to a refund of any excess withholding, provided the required information is timely furnished to the IRS. However, holders of the Securities may not receive the necessary information to properly claim a refund.

Prospective investors should consult their tax advisers regarding the consequences to them of the potential application of Section 871(m) to the Securities.