

HONG LEONG BANK BERHAD

A MULTI-CURRENCY MEDIUM TERM NOTES PROGRAMME OF RINGGIT MALAYSIA TEN BILLION (RM10,000,000,000.00) (OR ITS EQUIVALENT IN OTHER CURRENCIES) IN NOMINAL VALUE

Other terms and conditions

(a) Details on utilisation of proceeds by the Issuer :

The issue proceeds of the Senior MTNs shall be utilised in the following manner:

- (1) in respect of the Senior MTNs which are not the Sustainability Senior MTNs, for working capital, general banking and other corporate purposes and/or if required, the refinancing of any existing financing obligations of the Issuer; and
- (2) in respect of the Sustainability Senior MTNs, for purposes that meet the criteria as set out in the HLB Green Bond Framework and/or the HLB Sustainability Bond Framework, as the case may be.

“HLB Green Bond Framework” means the green bond framework established by the Issuer on 20 February 2022 and revised in April 2022 (as amended or modified or revised or substituted from time to time) in accordance with the relevant Sustainability Frameworks which governs the Issuer’s green bonds issuances.

“HLB Sustainability Bond Framework” means the sustainability bond framework to be established by the Issuer (as amended or modified or revised or substituted from time to time) in accordance with the relevant Sustainability Frameworks which governs the Issuer’s green bonds, social bonds, sustainability bonds and/or sustainability-linked bonds issuances. The name of the HLB Sustainability Bond Framework will be specified in the relevant marketing and issuance documents in relation to the issuance of the Sustainability Senior MTNs in compliance with the relevant Sustainability Frameworks in relation to social bonds, sustainability bonds or sustainability-linked bonds.

(b) Form and Denomination :

Issuance of the Senior MTNs issued in Malaysia shall be in accordance with:

- (1) the Participation Rules for Payments and Securities Services (as amended or modified or revised or substituted from time to time) issued by BNM or its successor-in-title, assigns or any successor in such capacity (**“BNM Rules”**);

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- (2) the Operational Procedures for Securities Services (as amended or modified or revised or substituted from time to time) and the Operational Procedures for Malaysian Ringgit (MYR) Settlement in the Real Time Electronic Transfer of Funds and Securities System (RENTAS) (as amended or modified or revised or substituted from time to time) both issued by BNM or its successor-in-title, assigns or any successor in such capacity ("**BNM Procedures**"); and
- (3) any other procedures/guidelines/rules (as amended or modified or revised or substituted from time to time) issued by the relevant authorities from time to time.

Issuance of the Senior MTNs issued outside Malaysia shall be in accordance with the procedures and rules of the relevant jurisdiction.

Form

The Senior MTNs shall be represented by a global certificate to be deposited with BNM and is exchangeable for definitive bearer certificates only in certain limited circumstances.

Denomination

The denomination of the Senior MTNs shall be Ringgit Malaysia One Million (RM1,000,000.00) or such other denomination as may be agreed between the Issuer and the Lead Manager as may be allowed under the BNM Rules and the BNM Procedures.

- (c) Profit/ coupon/ : The Senior MTNs may be issued with or without coupon
rental payment
frequency

In respect of the Senior MTNs issued with coupon payment, the coupon amounts are payable semi-annually (or such other period of frequency to be agreed between the Issuer and the Lead Manager prior to each issuance of the Senior MTNs) in arrears.

- (d) Profit/ coupon/ : In respect of the Senior MTNs which are denominated in
rental payment
basis

In respect of the Senior MTNs which are denominated in Ringgit Malaysia, the coupon amounts shall be calculated on an actual number of days over three hundred and sixty five (365) days basis.

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In respect of the Senior MTNs which are denominated in foreign currency, the coupon amounts shall be calculated on an actual number of days over three hundred and sixty five (365) days basis or such other convention as may be agreed between the Issuer and the Lead Manager prior to the issuance of such Senior MTNs.

This section is not applicable for the Senior MTNs issued without coupon payment.

- (e) Profit/ rental rate : coupon/ payment rate : The Senior MTNs may be issued with or without coupon payment.

In respect of the Senior MTNs issued with coupon payment, the expected coupon rate for such Senior MTNs ("**Coupon Rate**") can be on a fixed rate basis or a floating rate basis to be determined and agreed between the Issuer and the Lead Manager prior to the issuance of such Senior MTNs.

If Call Option is applicable, the Coupon Rate may be subject to the step-up rate as agreed by the Issuer prior to the issuance of such tranche of the Senior MTNs ("**Step-Up Rate**").

In respect of the Senior MTNs issued on floating rate basis, the Coupon Rate shall be a credit spread (%) per annum (rate to be determined and agreed between the Issuer and the Lead Manager prior to the issuance of such Senior MTNs) above the relevant reference benchmark to be determined and agreed between the Issuer and the Lead Manager prior to the issuance of such Senior MTNs and expressed as a rate in per cent per annum. The Coupon Rate may vary based on the movement of the relevant reference rate. The credit spread (%) per annum and the agreed reference benchmark shall be the same throughout the tenure of the relevant Senior MTNs. The first reset date and the frequency of subsequent reset dates shall be determined and agreed between the Issuer and the Lead Manager prior to the issuance of such Senior MTNs.

- (f) Tenure of the Senior MTN Programme : The tenure of the Senior MTN Programme is perpetual.

- (g) Tenure of the Senior MTNs : Each issuance of the Senior MTNs shall have a tenure of more than one (1) year from the issue date.

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(h) Listing status and types of listing, where applicable : The Senior MTNs are not and will not be listed on Bursa Malaysia or any other stock exchanges.

(i) Issue price : The Senior MTNs may be issued at par, at a premium or at a discount as may be agreed between the Issuer and the Lead Manager prior to each issuance of the Senior MTNs. The issue price shall be calculated in accordance with the BNM Rules and the BNM Procedures.

The Senior MTNs issued without coupon payment will be issued at a discount to its nominal value.

(j) Option to upsize : The Issuer shall have the option to upsize the Senior MTN Programme and the MTNholders shall via the Trust Deed provide their upfront consent and be deemed to have consented to any upsizing of the Senior MTN Programme provided that the following conditions have been fulfilled:

- (1) where applicable, there is no adverse impact on the credit rating of the Senior MTN Programme;
- (2) all relevant requirements of the Guidelines on LOLA Framework in relation to such upsizing of the Senior MTN Programme have been complied with; and
- (3) the relevant regulatory approvals have been obtained (if applicable).

For the avoidance of doubt, no consent is required from the Bond Trustee, the existing MTNholders or any other party under the Senior MTN Programme when the option to upsize the Senior MTN Programme is exercised by the Issuer subject to the fulfilment of the conditions above.

(k) Status : The payment obligations of the Issuer under the Transaction Documents shall constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and shall at all times rank pari passu, without discrimination, preference or priority amongst themselves and at least rank pari passu with all other present and future unconditional, unsecured and unsubordinated obligations of the Issuer, subject to those preferred by law applying to companies generally.

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- (l) Transaction Documents : Such documentation which shall include, amongst others, the following:
- (1) the Programme Agreement;
 - (2) the Trust Deed;
 - (3) the securities lodgement form for central securities depository and paying agency services; and
 - (4) any other relevant documents to be executed in connection with the Senior MTN Programme.
- (m) Set-off : No MTNholder may exercise, claim or plead any right of set-off, deduction, withholding or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with, the Senior MTNs, and the MTNholders shall, by virtue of their holdings of any Senior MTNs, be deemed to have waived all such rights of set-off, deduction, withholding or retention against the Issuer in relation to the Senior MTNs to the fullest extent permitted by law. If at any time the MTNholders receive payment or benefit of any sum in respect of the Senior MTNs (including any benefit received pursuant to any such set-off, deduction, withholding or retention) other than in accordance with the terms of the Senior MTNs, the payment of such sum or receipt of such benefit shall, to the fullest extent permitted by law, be deemed void for all purposes and the MTNholders by virtue of their holdings of any Senior MTNs, shall agree as a separate and independent obligation to immediately pay an amount equal to the amount of such sum or benefit so received to the Issuer (or, in the event of its winding-up or administration, the liquidator or, as appropriate, administrator of the Issuer) and, until such time as payment is made, shall hold such amount in trust for the Issuer (or the liquidator or, as appropriate, administrator of the Issuer) and accordingly any payment of such sum or receipt of such benefit shall be deemed not to have discharged any of the obligations under the Senior MTNs.
- (n) Taxation : All payments by the Issuer under any of the Transaction Documents and the Senior MTNs shall be made in full without any withholding or deduction for or on account of any present or future taxes, duties, assessments or government charges of whatsoever nature imposed or levied by or on behalf of the Government of Malaysia or any other applicable jurisdiction or any authority thereof or

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therein having power to tax, unless such withholding or deduction is required by law.

The Issuer shall not be required to gross up in connection with such withholding or deduction so that the payee would receive the full amount which the payee would have received if no such withholding or deduction is made.

- (o) Trustee's Reimbursement Account : The Issuer or where applicable the Bond Trustee (on behalf of the Issuer) shall open and maintain an account designated as "**Trustee's Reimbursement Account**" with a sum of Ringgit Malaysia One Hundred Thousand (RM100,000.00) deposited therein by the Issuer wherein this sum of money shall be maintained at all times by the Issuer throughout the tenure of the Senior MTN Programme and so long as any of the relevant Senior MTNs remain outstanding. In the event that the amount standing to the credit of the Trustee's Reimbursement Account falls below Ringgit Malaysia One Hundred Thousand (RM100,000.00) at any time during the tenure of the Senior MTN Programme and so long as any of the Senior MTNs remain outstanding, the Issuer shall immediately remit such amount as to maintain the balance in the Trustee's Reimbursement Account at Ringgit Malaysia One Hundred Thousand (RM100,000.00). The Trustee's Reimbursement Account shall be operated solely by the Bond Trustee and the monies shall only be used strictly by the Bond Trustee for the purpose of carrying out its duties in relation to the occurrence of an Event of Default or enforcement which are provided in the Trust Deed.

Any unutilised money in the Trustee's Reimbursement Account shall be returned to the Issuer upon the cancellation and/or termination of the Senior MTN Programme or the expiry of the Senior MTN Programme and the full redemption of the Senior MTNs issued thereunder, provided always that no Event of Default has occurred and is continuing and there are no other amounts due under the Transaction Documents.

- (p) Clearing and settlement platform and credit rating (for Senior MTNs issued outside Malaysia) : **Clearing and settlement platform**
Such clearing and settlement platform customary in the relevant market for such issuance.
Credit rating

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The foreign currency denominated Senior MTNs may be rated by the international credit rating agency(ies), if required by the relevant qualified investors.

- (q) Costs and Expenses : All legal fees, stamp duties (if any) and expenses incurred in connection with the Senior MTN Programme, including professional due diligence fees and fees payable to the Central Securities Depository, the Paying Agent and the SC, where applicable, shall be for the account of the Issuer and on a full indemnity basis.
- (r) Jurisdiction : The parties shall irrevocably and unconditionally submit to the exclusive jurisdiction of the courts of Malaysia.
- (s) Other Conditions : The Senior MTNs shall at all times be governed by the guidelines issued and to be issued from time to time by the SC and/or BNM having jurisdiction over matters pertaining to the Senior MTNs.

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