

FINAL TERMS

Final Terms dated 20 June 2023

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Class A 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 (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 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. Consequently no key information document required by Regulation (EU) 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Class A Notes or otherwise making them available to retail investors in the EEA has been prepared and, therefore, offering or selling the Class A Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Class A Notes has led to the conclusion that: (i) the target market for the Class A Notes is 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 (“UK MiFIR”); and (ii) all channels for distribution of the Class A Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Class A Notes (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to the FCA Handbook Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Class A Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO UK RETAIL INVESTORS - The Class A 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, as amended (the “EUWA”); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“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. 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 Class A Notes or otherwise making them available to retail investors in the UK has been prepared and, therefore, offering or selling the Class A Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

AA Bond Co Limited

Legal entity identifier (LEI): 2138002EPF6QVRZBMC58

Issue of Sub-Class A10 £135,000,000 7.375 per cent. Fixed Rate Class A Notes (the “Notes”) (to be to be consolidated and to form a single series with the existing £250,000,000 7.375 per cent. Sub Class A10 Fixed

Rate Notes due 2029 (the “**Original Notes**”) under the £5,000,000,000 multicurrency Programme for the issuance of Class A Notes

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 Prospectus dated 24 June 2022, as supplemented by the supplemental base prospectus dated 12 January 2023 and the supplemental base prospectus dated 16 June 2023 which together constitute a base prospectus (the “**Base Prospectus**”) for the purposes of Regulation (EU) 2017/1129 as supplemented by Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 (the “**Prospectus Regulation**”). This document constitutes the Final Terms of the Class A Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Class A Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at www.theaacorporate.com and copies may be obtained from the Specified Office of the Class A Paying Agents.

1	Issuer:	AA Bond Co Limited
2	(i) Sub-Class and Tranche Number:	2 of Sub-Class A10
	(ii) Date on which the Class A Notes will be consolidated and form a single series:	The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the Original Notes on the exchange of the Temporary Global Notes for interests in the Permanent Global Note, as referred to in paragraph 25 below, which is expected to occur on or about 2 August 2023.
3	Specified Currency or Currencies:	Pound Sterling (“£”)
4	Aggregate Nominal Amount of Class A Notes:	
	(i) Sub-Class:	£385,000,000 (Tranche 2: £135,000,000)
5	Issue Price:	90.310 per cent. of the Aggregate Nominal Amount, plus accrued interest from and including 31 January 2023 to but excluding 23 June 2023
6	(i) Specified Denominations	£100,000 and integral multiples of £1000, in excess thereof up to and including £99,000. No Class A Notes in definitive form will be issued with a denomination of integral multiples above £99,000.
	(ii) Calculation Amount:	£1,000
7	(i) Issue Date:	23 June 2023
	(ii) Class A Interest Commencement Date:	13 July 2022
8	(i) Expected Maturity Date:	31 July 2029
	(ii) Cash Accumulation:	Not Applicable
	(iii) Final Maturity Date:	31 July 2050
9	Instalment Date:	Not Applicable
10	Interest Basis:	Fixed Rate Class A Notes
11	Redemption/Payment Basis:	Redemption at Expected Maturity/Final Redemption

12	Call Options:	Issuer Optional Redemption—Class A Condition 7(c) applies Class B Call Option—Class A Condition 7(h) applies Modified Optional Redemption—Class A Condition 7(k) applies
13	Date Board approval for issuance of Class A Notes obtained:	15 June 2023
14	Method of Syndication:	Syndicated
	(i) Name of Dealer(s):	Barclays Bank PLC, Citigroup Global Markets Limited
	(ii) Name of Stabilising Manager	Barclays Bank PLC
15	Fallback provisions:	Not Applicable
16	Relevant Financial Centre:	London
17	Additional Financial Centre(s):	Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

18	Fixed Rate Note Provisions:	Applicable
	(i) Class A Initial Interest Rate:	7.375 per cent. per annum payable semi-annually in arrear on each Interest Payment Date
	(ii) Class A Revised Interest Rate:	7.875 per cent. per annum payable semi-annually in arrear on each Interest Payment Date
	(iii) Interest Payment Date(s):	31 January and 31 July in each year
	(iv) First Interest Payment Date:	31 January 2023
	(v) Class A Note Interest Amount(s):	£40.542 per Calculation Amount in respect of the period from (and including) the Class A Interest Commencement Date to (but excluding) the first Interest Payment Date. £36.875 per Calculation Amount in respect of each Class A Note Interest Period from (and including) the first Interest Payment Date up to (but excluding) the Expected Maturity Date and £39.375 in respect of each Class A Note Interest Period from (and including) the Expected Maturity Date to (but excluding) the Final Maturity Date.
	(vi) Day Count Fraction:	Actual/Actual (ICMA)
	(vii) Reference Gilt:	UK Treasury 0.500 per cent. due 31 January 2029
	(viii) Comparable German Bund Issue:	Not Applicable
	(ix) Comparable United States Treasury Securities:	Not Applicable
19	[Reserved]	

PROVISIONS RELATING TO REDEMPTION

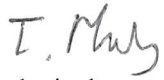
20	Issuer Optional Redemption:	Applicable in accordance with Class A Condition 7(c)
	(i) Optional Redemption Date(s):	Any Interest Payment Date
	(ii) Redemption Amount(s) of each Class A Note:	As set out in Class A Condition 7(c)
	(iii) Redemption Margin	0.500 per cent.
	(iv) If redeemable in part:	
	(a) Minimum Redemption Amount:	Not Applicable
	(b) Maximum Redemption Amount:	Not Applicable
	(v) Notice period:	As set out in Class A Condition 7(c)
21	Modified Optional Redemption:	Applicable in accordance with Class A Condition 7(k)
	(i) Call Date(s):	Each date occurring on or after the date falling six months prior to the Expected Maturity Date
	(ii) Redemption Amount(s) of each Class A Note:	In respect of each Call Date, 100 per cent. of the Principal Amount Outstanding of the Sub-Class A10 Notes, plus any accrued but unpaid interest through to (but excluding) the relevant Call Date
	(iii) Notice Period:	5 Business Days prior to the relevant Call Date
22	Escrow Arrangements:	Not Applicable
23	Redemption Amount of each Class A Note:	For purposes of Class A Conditions 7(c) and 7(e), as set out in Class A Condition 7(c)
24	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption:	As set out in Class A Condition 7

GENERAL PROVISIONS APPLICABLE TO THE CLASS A NOTES

25	Form of Class A Notes:	Bearer
	(i) If issued in Bearer form:	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Class A Definitive Notes in the limited circumstances specified in the Permanent Global Note (TEFRA D Rules apply)
	(ii) If Class A Registered Notes:	Not Applicable
26	New Global Note:	No
27	Relevant Financial Centre(s):	London
28	Class A Talons for future Class A Coupons or Class A Receipts to be attached to Class A Definitive Notes (and dates on which such Class A Talons mature):	Applicable

29	Details relating to Instalment Notes:	Not Applicable
30	U.S. Selling Restrictions:	Reg S Compliance Category 2, TEFRA D

Signed on behalf of the Issuer:

By: 

Duly authorised

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

- (i) Listing Ireland
- (ii) Admission to trading: Application has been made to the Irish Stock Exchange plc (trading as Euronext Dublin) by the Issuer (or on its behalf) for the Notes to be admitted to the Official List and trading on the Regulated Market of Euronext Dublin with effect from 23 June 2023.

The Original Notes are admitted to trading on the Regulated Market of Euronext Dublin.

- (iii) Estimate of total expenses related to admission to trading: Expected to be approximately €1,000

2 RATINGS

- Ratings: The Notes to be issued are expected to be rated:
S&P Global Ratings UK Limited (“S&P”): BBB- (stable)
- According to the S&P definitions available as at the date of these Final Terms at <https://www.spglobal.com/ratings/en/research/articles/190705-s-p-global-ratings-definitions-504352>, an obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation.

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

Save as discussed in “*Subscription and Sale*” in the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Class A Notes has an interest material to the offer.

4 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- Reasons for the offer: See “*Use of Proceeds*” in the Base Prospectus.
- Estimated net proceeds: £125,851,493.78

5 YIELD (Fixed Rate Class A Notes only)

- Indication of yield: 9.500 per cent. (semi-annual)

6 OPERATIONAL INFORMATION

- Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking Société Anonyme and the relevant identification number(s): Not Applicable
- Delivery: Delivery against payment

Names and addresses of additional Class A Paying Agent(s) (if any):	Not Applicable
Name and address of Calculation Agent (if any):	Not Applicable
ISIN Code:	Until the Notes are consolidated, and form a single series with the Original Notes, the Notes will have the temporary ISIN XS2635674042. After that, the Notes will have the same ISIN as the Original Notes, being XS2491156902
Common Code:	Until the Notes are consolidated, and form a single series with the Original Notes, the Notes will have the temporary Common Code 263567404. After that, the Notes will have the same Common Code as the Original Notes, being 249115690
Intended to be held in a manner which would allow Eurosystem eligibility:	No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Class A Notes are capable of meeting them, the Class A Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Class A Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.