



## SAMHÄLLSBYGGNADSBOLAGET I NORDEN AB (PUBL)

*(incorporated in the Kingdom of Sweden as a public company with limited liability)*

### EUR 500,000,000 Subordinated Fixed to Reset Rate Undated Capital Securities

**Issue price: 99.404 per cent.**

Samhällsbyggnadsbolaget i Norden AB (publ), a public limited company with limited liability incorporated under the laws of the Kingdom of Sweden (the "**Issuer**") is offering EUR 500,000,000 Subordinated Fixed to Reset Rate Undated Capital Securities (the "**Capital Securities**").

Interest will accrue on the Capital Securities from (and including) 14 December 2020 (the "**Issue Date**") to (but excluding) 14 March 2026 (the "**First Reset Date**") at a rate of 2.625 per cent. per annum, and thereafter at the relevant Reset Interest Rate (as defined in the terms and conditions of the Capital Securities (the "**Conditions**") under Condition 4(d) (*Reset Interest Rates*)). Interest on the Capital Securities will (subject to the option of the Issuer to defer payments, as provided below) be payable annually in arrear on 14 March in each year from (and including) 14 March 2021. The first payment of interest will be made on 14 March 2021 in respect of the period from (and including) the Issue Date to (but excluding) 14 March 2021.

Payments of interest on the Capital Securities may, at the option of the Issuer, be deferred, as set out in Condition 5(a). Deferred interest, which shall itself bear interest, may be paid at any time at the option of the Issuer (upon notice to the holders of the Capital Securities), and must be paid in the circumstances provided in Condition 5(b)(ii) (*Mandatory Settlement*).

If the Issuer does not elect to redeem the Capital Securities in accordance with Condition 6(e) (*Redemption for Change of Control Event*) following the occurrence of a Change of Control Event (as defined in the Conditions), the then prevailing interest rate per annum (and each subsequent interest rate per annum otherwise determined in accordance with the Conditions) for such Capital Securities shall be increased by an additional five percentage points per annum with effect from (and including) the day immediately following the Change of Control Step-up Date, as set out in Condition 4(i) (*Step-Up after Change of Control Event*).

The Capital Securities are perpetual securities in respect of which there is no fixed redemption date. The Issuer will have the right to redeem the Capital Securities in whole, but not in part, on (a) any date in the three months up to and including the First Reset Date or (b) any Interest Payment Date thereafter. The Issuer may also redeem the Capital Securities upon the occurrence of a Change of Control Event, a Tax Deductibility Event, a Substantial Repurchase Event, a Capital Event, an Accounting Event or a Withholding Tax Event and may in certain circumstances vary the terms of, or substitute, the Capital Securities, all as set out in the Conditions.

The Capital Securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States. The Capital Securities are being offered and sold outside the United States in accordance with Regulation S under the Securities Act ("**Regulation S**"), and may not be offered and sold or delivered within the United States or to, for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

These Listing Particulars have been approved by the Irish Stock Exchange plc, trading as Euronext Dublin ("**Euronext Dublin**"). Application has been made to Euronext Dublin for the Capital Securities to be

admitted to Euronext Dublin's official list (the "**Official List**") and to trading on its Global Exchange Market (the "**GEM**").

These Listing Particulars constitute a "Listing Particulars" for the purposes of the admission of the Capital Securities to the Official List and to trading on the GEM and, for such purposes, do not comprise a "prospectus" for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**").

References in these Listing Particulars to the Capital Securities being listed (and all related references) shall mean that the Capital Securities have been admitted to the Official List and have been admitted to trading on the GEM. The GEM is the exchange regulated market of Euronext Dublin and is not a regulated market for the purposes of Directive 2014/65/EU (as amended, "**MiFID II**").

**MiFID II product governance / Professional investors and eligible counterparties only target market**

– Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Capital Securities has led to the conclusion that: (i) the target market for the Capital Securities is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Capital Securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Capital Securities (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Capital Securities (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

**PRIIPs Regulation / PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS**

– The Capital Securities 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 or in the United Kingdom (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 (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. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Capital Securities or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Capital Securities or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

**Singapore Securities and Futures Act Product Classification** – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Regulation 3(b) of the Securities and Futures (Capital Markets Products) Regulations 2018 (the "**SF (CMP) Regulations**") that the Capital Securities are "prescribed capital markets products" (as defined in the SF (CMP) Regulations) 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).

The Issuer has been rated BBB- by S&P Global Ratings Europe Limited ("**S&P**") and BBB- by Fitch Ratings Ltd ("**Fitch**"). The Capital Securities are expected to be rated BB by S&P and BB by Fitch. 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. Each of S&P and Fitch is established in the European Union ("**EU**") and is registered under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). As such, each of S&P and Fitch is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.

The Capital Securities will initially be represented by a temporary global capital security (the "**Temporary Global Capital Security**"), without interest coupons, which will be deposited on or about the Issue Date with a common depository for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"). Interests in the Temporary Global Capital Security will be exchangeable for interests in a permanent global capital security (the "**Permanent Global Capital Security**" and, together with the Temporary Global Capital Security, the "**Global Capital Securities**"), without interest coupons, not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. Interests in the Permanent Global Capital Security will be exchangeable for definitive Capital Securities

only in certain limited circumstances. See "*Summary of Provisions relating to the Capital Securities while represented by the Global Capital Securities*".

An investment in Capital Securities involves certain risks. Prospective investors should have regard to the factors described under the heading "*Risk Factors*" on page 1.

Joint Bookrunners

**BNP PARIBAS**

**CITIGROUP**

**DEUTSCHE BANK**

**DNB BANK**

**GOLDMAN SACHS INTERNATIONAL**

**MORGAN STANLEY**

**NORDEA**

The date of these Listing Particulars is 10 December 2020

## IMPORTANT INFORMATION

The Issuer accepts responsibility for the information contained in these Listing Particulars. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Listing Particulars is in accordance with the facts and does not omit anything likely to affect the import of such information.

These Listing Particulars are to be read in conjunction with all documents which are incorporated herein by reference (see "*Documents Incorporated by Reference*" below) and shall be read and construed on the basis that such documents are incorporated and form part of these Listing Particulars.

References to the "**Issuer**" are to Samhällsbyggnadsbolaget i Norden AB (publ). References to "**SBB**" or "**Group**" are to Samhällsbyggnadsbolaget i Norden AB (publ) and its subsidiaries taken as a whole, except where it is clear from the context that the term means Samhällsbyggnadsbolaget i Norden AB (publ), and except that references and matters relating to the shares and share capital of Samhällsbyggnadsbolaget i Norden AB (publ) or matters of corporate governance shall refer to shares, share capital and corporate governance of Samhällsbyggnadsbolaget i Norden AB (publ).

The Issuer, having made all reasonable enquiries, confirms that these Listing Particulars contain all material information with respect to the Issuer and the Capital Securities (including all information which, according to the particular nature of the Issuer and of the Capital Securities, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and of the rights attaching to the Capital Securities), that the information contained or incorporated in these Listing Particulars is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in these Listing Particulars are honestly held and that there are no other facts known to the Issuer, the omission of which would make these Listing Particulars or any of such information or the expression of any such opinions or intentions misleading.

These Listing Particulars contain certain market, historical and forward looking economic and industry data, including information in "*Risk Factors*" and "*Description of the Issuer and its operations*" which have been obtained from publicly available information, independent industry publications and reports prepared by industry consultants. The Issuer has relied on the accuracy of such information without an independent verification thereof, however, the Issuer believes the information to be reliable. Where information in these Listing Particulars has been sourced from a third party, this information has been accurately reproduced and, so far as the Issuer is aware, and is able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Such information, data and statistics may be approximations or estimates or use rounded numbers. Information in these Listing Particulars which has been sourced from a third party is identified as such with the name of the third party source. None of the Issuer or the Joint Bookrunners represent that such information is accurate.

Save for the Issuer, no party has 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, BNP Paribas, Citigroup Global Markets Limited, Deutsche Bank Aktiengesellschaft, DNB Bank ASA, Goldman Sachs International, Morgan Stanley & Co. International plc and Nordea Bank Abp as joint bookrunners (the "**Joint Bookrunners**") as to the accuracy or completeness of the information contained or incorporated in these Listing Particulars or any other information provided by the Issuer in connection with the offering of the Capital Securities. No Joint Bookrunner accepts any liability in relation to the information contained in these Listing Particulars or any other information provided by the Issuer in connection with the offering of the Capital Securities or their distribution.

No person is or has been authorised by the Issuer or any Joint Bookrunner to give any information or to make any representation not contained in or not consistent with these Listing Particulars or any other information supplied in connection with the offering of the Capital Securities and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Joint Bookrunners.

Neither these Listing Particulars nor any other information supplied in connection with the offering of the Capital Securities (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or any of the Joint Bookrunners that any recipient of these Listing Particulars or any other information supplied in connection with the offering of the Capital

Securities should purchase any Capital Securities. Each investor contemplating purchasing any Capital Securities should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither these Listing Particulars nor any other information supplied in connection with the offering of the Capital Securities constitutes an offer or invitation by or on behalf of the Issuer or any of the Joint Bookrunners to any person to subscribe for or to purchase any Capital Securities.

Neither the delivery of these Listing Particulars nor the offering, sale or delivery of the Capital Securities shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the offering of the Capital Securities is correct as of any time subsequent to the date indicated in the document containing the same. The Joint Bookrunners expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Capital Securities or to advise any investor in the Capital Securities of any information coming to their attention. The Capital Securities have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain exceptions, the Capital Securities may not be offered, sold or delivered within the United States or to U.S. persons. For a further description of certain restrictions on the offering and sale of the Capital Securities and on distribution of these Listing Particulars, see "*Subscription and Sale*" below.

None of the Issuer or the Joint Bookrunners, or any of their respective representatives, is making any representation to any offeree or purchaser of the Capital Securities regarding the legality of an investment in the Capital Securities by such offeree or purchaser under the laws applicable to such offeree or purchaser. Prospective investors should not construe anything in these Listing Particulars as legal, tax, business or financial advice. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Capital Securities.

#### **IMPORTANT INFORMATION RELATING TO THE USE OF THESE LISTING PARTICULARS AND OFFERS OF CAPITAL SECURITIES GENERALLY**

These Listing Particulars do not constitute an offer to sell or the solicitation of an offer to buy the Capital Securities in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of these Listing Particulars and the offer or sale of the Capital Securities may be restricted by law in certain jurisdictions. The Issuer and the Joint Bookrunners do not represent that these Listing Particulars may be lawfully distributed, or that the Capital Securities 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 or the Joint Bookrunners which is intended to permit a public offering of the Capital Securities or the distribution of these Listing Particulars in any jurisdiction where action for that purpose is required. Accordingly, no Capital Securities may be offered or sold, directly or indirectly, and neither these Listing Particulars 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 these Listing Particulars or any Capital Securities may come must inform themselves about, and observe, any such restrictions on the distribution of these Listing Particulars and the offering and sale of Capital Securities. In particular, there are restrictions on the distribution of these Listing Particulars and the offer or sale of Capital Securities in the United States, the EEA, Singapore, Sweden and the United Kingdom; see "*Subscription and Sale*".

#### **PRESENTATION OF INFORMATION**

The language of these Listing Particulars is English. Any foreign language text that is included with or within this document has been included for convenience purposes only and does not form part of these Listing Particulars.

All references in these Listing Particulars to "**euro**" and "**€**" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended, references to "**U.S.\$**", "**U.S. dollars**" or "**USD**" are to the lawful currency for the time being of the United States, references to "**£**", "**sterling**" and "**GBP**" are to the lawful currency for the time being of the United Kingdom and references to "**SEK**" are to the lawful currency for the time being of the Kingdom of Sweden.

## SUITABILITY OF INVESTMENT

The Capital Securities are complex financial instruments and may not be a suitable investment for all investors. Each potential investor in the Capital Securities 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 Capital Securities, the merits and risks of investing in the Capital Securities and the information contained in these Listing Particulars 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 Capital Securities and the impact the Capital Securities 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 Capital Securities, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Capital Securities and be familiar with the behaviour of any relevant financial markets; and
- (v) is able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Prospective investors should consult their tax advisers as to the tax consequences of the purchase, ownership and disposition of the Capital Securities.

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 (1) Capital Securities are legal investments for it, (2) Capital Securities can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Capital Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Capital Securities under any applicable risk-based capital or similar rules.

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## **RISK FACTORS**

Before making an investment decision, prospective investors should carefully review the specific risk factors described below, in addition to the other information contained in these Listing Particulars. The Issuer believes that the following factors may affect the Issuer's ability to fulfil its obligations under the Capital Securities. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. The Issuer's business, financial condition and results of operations could be materially affected by each of these risks presented. Also other risks and uncertainties not described herein could affect the Issuer's ability to fulfil its obligations under the Capital Securities. Additional risks and uncertainties not presently known to the Issuer, or that the Issuer currently believes are immaterial, could impair the ability of the Issuer to fulfil its obligations under the Capital Securities. Certain other matters regarding the operations of the Issuer that should be considered before making an investment in the Capital Securities are set out in these Listing Particulars. The order of presentation of the risk factors in these Listing Particulars is not intended to be an indication of the probability of their occurrence or of their potential effect on the Issuer's ability to fulfil its obligations under the Capital Securities.

The capitalised words and expressions in this section shall have the meanings defined in "*Terms and Conditions of the Capital Securities*".

### **FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE CAPITAL SECURITIES**

Prospective investors should have regard to the risk factors described under the sections headed:

- (a) "*Risk Factors – Factors that may affect the group and the ability of the relevant Issuer to fulfil its obligations under notes issued under the Programme and (if applicable) the ability of the guarantor to fulfil its obligations under the guarantee*" on pages 6 to 16 of the Base Prospectus; and
- (b) "*Risks relating to the Offer - The Offer is subject to significant uncertainties.*" on page 3 of the December Supplement,

which are incorporated by reference into this Listing Particulars with references to Notes in those section being read to refer to the Capital Securities and references to the Guarantor or the Guarantee to be read as not being applicable.

### **FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH THE CAPITAL SECURITIES**

#### **Risks related to the Capital Securities generally**

Set out below is a brief description of certain risks relating to the Capital Securities generally.

#### ***The claims of holders of the Capital Securities are structurally subordinated to those of certain other creditors of the Issuer and to creditors of the Issuer's subsidiaries***

Generally, lenders and trade and other creditors of the Issuer's subsidiaries are entitled to payment of their claims from the assets of such subsidiaries before these assets would be available for distribution to the Issuer, as direct or indirect shareholder, which would then allow for the Issuer to make payments under the Capital Securities. Any debt that the Issuer's subsidiaries may incur in the future will also rank structurally senior to Capital Securities.

A significant part of the Group's assets and revenues are generated by the Issuer's subsidiaries. The subsidiaries are legally separated from the Issuer and the subsidiaries' ability to make payments to the Issuer is restricted by, among other things, the availability of funds, corporate restrictions and local law. Furthermore, in the event of insolvency, liquidation or a similar event relating to one of the subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before any entity within the Group, as a shareholder, would be entitled to any payments. Thus, the Capital Securities are structurally subordinated to the liabilities of the subsidiaries of the Issuer.



### ***The market price of the Capital Securities may be volatile***

The market price of the Capital Securities could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Issuer operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of the Capital Securities, as well as other factors. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations, which, if repeated in the future, could adversely affect the market price of the Capital Securities without regard to the Issuer's results of operations, prospects or financial condition. Factors including increased competition or the Issuer's operating results, the regulatory environment, general market conditions, natural disasters, terrorist attacks and war may have an adverse effect on the market price of the Capital Securities.

### ***Laws and practices applicable to the Capital Securities may change***

The Conditions are based on and governed by English law (other than the Conditions relating to subordination of the Capital Securities, which are based on and governed by Swedish law) in force on the Issue Date. Any new statutes, ordinances and regulations, amendments to the legislation or changes in application of the law (including any amendments to or changes in application of tax laws or regulations) after the issue date may affect the Capital Securities and/or have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects, and, thereby, on the Issuer's ability to fulfil its obligations under the Capital Securities as well as the market price and value of the Capital Securities.

### ***Denominations involve integral multiples; definitive Capital Securities***

The Capital Securities have denominations consisting of a minimum of EUR 100,000 plus integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000.

It is possible that the Capital Securities may be traded in amounts that are not integral multiples of EUR 100,000. In such a case a holder who, as a result of trading such amounts, holds a principal amount which is less than EUR 100,000 in its account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Capital Securities at or in excess of EUR 100,000 such that its holding amounts to EUR 100,000 or a higher integral multiple of EUR 1,000. Further, a holder of the Capital Securities (each a "**Holder**") who, as a result of trading such amounts, holds a principal amount which is less than EUR 100,000 in its account with the relevant clearing system at the relevant time may not receive a definitive Capital Security in respect of such holding (should definitive Capital Securities be printed) and would need to purchase a principal amount of Capital Securities such that its holding amounts to EUR 100,000.

If definitive Capital Securities are issued, holders should be aware that definitive Capital Securities which have a denomination that is not an integral multiple of EUR 100,000 may be illiquid and difficult to trade.

### ***Modification, Waivers and Substitution***

The Conditions contain provisions for calling meetings of Holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Holders including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority.

The Conditions also provide that the Issuer may, without the consent of Holders, amend the Capital Securities, the Conditions or the Deed of Covenant, if the modification is of a formal, minor or technical nature or is to correct a manifest error. The Conditions provide that the Issuer may, without the consent of the Holders agree to the substitution of another company as the principal debtor in relation to the Capital Securities, all in the circumstances described in the Conditions of the Capital Securities.

In addition, pursuant to Condition 4(j) (*Benchmark Event*), certain modifications may be made to the interest calculation provisions of the Capital Securities in the circumstances and as otherwise set out in such Condition, without the requirement for consent of the Holders.

### ***Investors will have to rely on the procedures of Euroclear and Clearstream, Luxembourg***

The Capital Securities will be represented by the applicable Global Capital Security except in certain limited circumstances described in the Global Capital Securities. The Global Capital Security will be

deposited with a common depository for Euroclear and Clearstream, Luxembourg. Except in certain limited circumstances described in the Global Capital Security, investors will not be entitled to receive Capital Securities in definitive form. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Capital Securities. While the Capital Securities are represented by the Global Capital Security, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg. The Issuer will discharge its payment obligations under the Capital Securities by making payments to the common depository for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Capital Security must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Capital Securities. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Capital Security.

Holders of beneficial interests in the Global Capital Security will not have a direct right to vote in respect of the Capital Securities. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

***Holders of Capital Securities have no voting rights***

The Capital Securities are non-voting with respect to general meetings of the Issuer. Consequently, the holders of the Capital Securities cannot influence, *inter alia*, any decisions by the Issuer to defer payments or to optionally settle outstanding payments or any other decisions by the Issuer's shareholders concerning the capital structure of the Issuer.

**Risks Related to the Market Generally**

***An active trading market for the Capital Securities may not develop***

The Capital Securities may have no established trading market when issued, and the Issuer cannot assure investors that an active trading market for the Capital Securities will develop or be maintained. If a market does develop, it may not be liquid. In addition, liquidity may be limited if the Issuer makes large allocations to a limited number of investors. Therefore, investors may not be able to sell their Capital Securities at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. A lack of liquidity may have a material adverse effect on the market value of the Capital Securities.

***Exchange rate risks and exchange controls exist to the extent payments in respect of the Capital Securities are made in a currency other than the currency in which an investor's activities are denominated***

The Issuer will pay principal and interest on the Capital Securities in euros. 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 in euros. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euros 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 euros would decrease (1) the Investor's Currency-equivalent yield on the Capital Securities, (2) the Investor's Currency-equivalent value of the principal payable on the Capital Securities and (3) the Investor's Currency equivalent market value of the Capital Securities.

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 to make payments in respect of the Capital Securities. As a result, investors may receive less interest or principal than expected, or no interest or principal. Changes in market interest rates may adversely affect the value of the Capital Securities. Investment in the Capital Securities involves the risk that subsequent changes in market interest rates may adversely affect the value of the Capital Securities, since the Capital Securities have a fixed rate of interest and prevailing interest rates in the future may be higher than that fixed rate of interest.

***Credit ratings may not reflect all risks***

The Issuer's credit ratings are an assessment by the relevant rating agencies of its ability to pay its debts when due. Consequently, real or anticipated changes in its credit ratings will generally affect the market value of the Capital Securities. One or more independent credit rating agencies may assign credit ratings to the Capital Securities. The ratings may not reflect the potential impact of all risks related to the structure

and marketing of the Capital Securities and additional factors discussed in these Listing Particulars or any other factors that may affect the value of the Capital Securities. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In addition, S&P or Fitch or any other rating agency may change their methodologies or their application for rating securities with features similar to the Capital Securities in the future. This may include the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the Capital Securities, sometimes called "notching". If the rating agencies were to change their practices or their application for rating such securities in the future and the ratings of the Capital Securities were to be subsequently lowered, this may have a negative impact on the trading price of the Capital Securities. If as a consequence of an amendment, clarification or change in the equity credit criteria of any Rating Agency, the Capital Securities are no longer eligible for the same or higher category of equity credit attributed to the Capital Securities at the date of their issue (or if equity credit is not assigned on the issue date, at the date when the equity credit is assigned for the first time), the Issuer may redeem the Capital Securities in whole, but not in part, as further described in the Conditions. For a description of the risks related to the early redemption of the Capital Securities, see the Risk Factor entitled "*The Issuer may redeem the Capital Securities early; investors should consider reinvestment risk*".

In general, European (including UK) regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU or the UK and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU and non-UK credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered or UK-registered credit rating agency or the relevant non-EU and non-UK rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

The list of registered and certified rating agencies published by the European Securities and Markets Authority ("ESMA") on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

### **Risks related to the structure of the Capital Securities**

***The Capital Securities are subordinated obligations; accordingly, claims in respect of the Capital Securities would rank junior to claims in respect of unsubordinated obligations of the Issuer in the event of an Issuer Winding-up or Issuer Re-construction***

The Capital Securities are direct, unsecured and subordinated obligations of the Issuer. In the event of an Issuer Winding-up, the Holders will have a claim ranking behind claims of unsubordinated creditors of the Issuer and creditors of the Issuer in respect of all Subordinated Indebtedness, *pari passu* without any preference among themselves and with any present and future claims in respect of obligations of the Issuer in respect of Parity Securities and in priority to any present and future claims in respect of (i) any class of Share Capital of the Issuer and (ii) any other obligation of the Issuer which ranks or is expressed by its terms to rank junior to the Capital Securities or any Parity Security.

In the event of an Issuer Re-construction, the Holders will have a statutory claim ranking *pari passu* among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Securities, but junior to any present or future claims in respect of all unsubordinated obligations of the Issuer and all Subordinated Indebtedness.

In the event of an Issuer Re-construction, unsecured debt could be subject to a mandatory write-down provided that a qualified majority of the unsecured creditors has approved such write-down. All unsecured debt will then be written down pro rata. A debt composition proposal, which yields at least 50 per cent. of the amount of the unsecured debt, shall be deemed to be accepted by the creditors, where three-fifths of the creditors voting have accepted the proposal and their claims amount to three-fifths of the total amount of claims held by the creditors entitled to vote. Where the debt composition percentage is lower, the debt composition proposal shall be deemed to be accepted where three-fourths of the creditors voting have approved the proposal and their claims amount to three-fourths of the total amount of the claims held by the creditors entitled to vote. If a debt composition is approved, all subordinated debt of the Issuer, including

the Capital Securities, will be completely written-off. In respect of subordinated debt it is important to notice that subordinated creditors may only take part in the creditors' meeting voting on a proposed debt composition provided the unsubordinated creditors consent to such participation. Potential investors should note that claims in respect of the share capital of the Issuer are not subject to loss absorbing measures under an Issuer Re-construction.

In the event of an Issuer Winding-up or an Issuer Re-construction, Holders will only be eligible to recover any amounts in respect of their Capital Securities if all claims in respect of more senior-ranking obligations of the Issuer (whether secured or unsecured) have first been paid in full. If on an Issuer Winding-up or Issuer Re-construction, the assets of the Issuer are insufficient to repay the claims of all senior-ranking creditors in full, the Holders will lose their entire investment in the Capital Securities. If there are sufficient assets to repay the claims of senior-ranking creditors in full but insufficient assets to enable it to pay claims in respect of the Capital Securities and all other obligations of the Issuer ranking *pari passu* with the Capital Securities, Holders will lose some or substantially all of their investment in the Capital Securities. The Holders therefore face a higher recovery risk than holders of unsubordinated obligations and Subordinated Indebtedness of the Issuer. Furthermore, the Conditions do not limit the amount of the liabilities ranking senior to or *pari passu* with the Capital Securities which may be incurred or assumed by the Issuer from time to time, whether before or after the issue date of the Capital Securities.

Furthermore, subject to applicable law, no Holder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with, the Capital Securities and each Holder shall, by virtue of their holding, be deemed to have waived all such rights of set-off, compensation or retention.

In addition, if the financial condition of the Issuer deteriorates such that Issuer Winding-up may be anticipated, the market price of the Capital Securities can be expected to fall, and such fall may be significant. A Holder that sells its Capital Securities in such an event may lose some or substantially all of its initial investment in the Capital Securities (whether or not an Issuer Winding-up subsequently occurs).

***The Capital Securities are undated securities and therefore an investment in the Capital Securities constitutes a financial risk for an indefinite period***

The Capital Securities are perpetual securities in respect of which there is no fixed redemption date. The Issuer is under no obligation to redeem the Capital Securities at any time and Holders have no right to call for redemption of the Capital Securities.

Therefore, prospective investors should be aware that they may be required to bear the financial risks of an investment in the Capital Securities for a long period and may not recover their investment before the end of this period.

***The Issuer may defer interest payments***

The Issuer may, under the Conditions, at any time and in its sole discretion (except on any Interest Payment Date on which the Capital Securities are to be redeemed), elect to defer payment of all (but not some only) of the interest which would otherwise be paid on any Interest Payment Date, and the Issuer shall not have any obligation to make such payment and any failure to pay shall not constitute a default by the Issuer for any purpose.

Any interest not paid on an applicable Interest Payment Date and deferred shall constitute Deferred Interest and shall be paid in whole, but not in part, at any time, at the option of the Issuer or on the occurrence of certain mandatory settlement events described in the Conditions.

Any deferral of interest payments will be likely to have an adverse effect on the market price of the Capital Securities. In addition, as a result of such interest deferral provisions of the Capital Securities, the market price of the Capital Securities may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to the above provisions and may be more sensitive generally to adverse changes in the Issuer's financial condition.

***The Issuer may redeem the Capital Securities early; investors should consider reinvestment risk***

The Issuer will have the right to redeem the Capital Securities in whole, but not in part, on any date in the three months up to and including the First Reset Date or any Interest Payment Date thereafter, at their

principal amount together with any Deferred Interest and any other accrued and unpaid interest to (but excluding) the date of redemption.

The Issuer may also, at its option, redeem the Capital Securities in whole, but not in part, upon the occurrence of a Tax Deductibility Event, a Capital Event, a Change of Control Event, a Withholding Tax Event, an Accounting Event or a Substantial Repurchase Event with respect to the Capital Securities, as further described in the Conditions.

In the case of a Tax Deductibility Event, an Accounting Event or a Capital Event, such redemption will be at (i) 101 per cent. of the principal amount of the Capital Securities, where such redemption occurs before the date falling three months prior to the First Reset Date, or (ii) 100 per cent. of the principal amount of the Capital Securities, where such redemption occurs on or after the date falling three months prior to the First Reset Date, together in each case with any Deferred Interest and any other accrued and unpaid interest up to (but excluding) the redemption date.

In the case of a Withholding Tax Event, a Change of Control Event or a Substantial Repurchase Event, such redemption will be at 100 per cent. of the principal amount of the Capital Securities, together with any Deferred Interest and any other accrued and unpaid interest up to (but excluding) the redemption date.

During any period when the Issuer may elect to redeem the Capital Securities or is perceived to be able to redeem the Capital Securities, the market value of the Capital Securities generally will not rise substantially above the price at which they can be redeemed.

The Issuer might redeem the Capital Securities when its cost of borrowing is lower than the interest rate on the Capital Securities. There can be no assurance that, at the relevant time, Holders will be able to reinvest the amounts received upon redemption at a rate that will provide the same return as their investment in the Capital Securities. Potential investors should consider reinvestment risk in light of other investments available at that time.

#### *Substitution or variation of the Capital Securities*

There is a risk that, after the issue of the Capital Securities, a Tax Deductibility Event, a Capital Event, an Accounting Event or a Withholding Tax Event may occur which would entitle the Issuer, without any requirement for the consent or approval of the Holders, to substitute all, but not some only, of the Capital Securities for, or vary the terms of the Capital Securities so that they become or remain, Qualifying Capital Securities.

Whilst Qualifying Capital Securities are required to have terms which are not materially less favourable to Holders than the terms of the Capital Securities (as reasonably determined by the Issuer in consultation with an independent investment bank, independent financial adviser or legal counsel of international standing), there can be no assurance that the Qualifying Capital Securities will not have a significant adverse impact on the price of, and/or the market for, the Capital Securities, nor that there will not be any adverse tax consequences for any Holders of the Capital Securities arising from such substitution or variation.

#### *Fixed rate securities have a market risk*

The Capital Securities will bear interest at a fixed rate, reset by reference to the 5 Year EUR Mid-Swap Rate plus a margin on the First Reset Date for the Capital Securities and on each fifth anniversary of such First Reset Date. A holder of a security with a fixed interest rate is exposed to the risk that the price of such security falls as a result of changes in the current interest rate on the capital market (the "**Market Interest Rate**"). While the nominal interest rate of a security with a fixed interest rate is fixed during the life of such security or during a certain period of time, the Market Interest Rate typically changes on a daily basis. A change of the Market Interest Rate may cause the price of such security to change. If the Market Interest Rate increases, the price of such security typically falls. If the Market Interest Rate falls, the price of a security with a fixed interest rate typically increases. Potential investors should be aware that movements of the Market Interest Rate can adversely affect the price of the Capital Securities and can lead to losses for the Holders if they sell such Capital Securities.

Each Reset Interest Rate may be different from the initial interest rate of the Capital Securities and may adversely affect the yield of such Capital Securities.

### ***Reform and Regulation of "benchmarks"***

The euro interbank offered rate ("EURIBOR") (which is the floating leg of the 5 Year EUR Mid-Swap Rate used in the reset provisions for the Capital Securities), and other indices which are deemed "benchmarks" (each a "Benchmark" and together, the "Benchmarks"), to which the interest on the Capital Securities during any Reset Period is linked, have become the subject of regulatory scrutiny and 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 the value of and the amount payable under the Capital Securities. International proposals for reform of Benchmarks include the European Council's Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "Benchmark Regulation") which was published in the official journal on 29 June 2016 and has applied from 1 January 2018.

Any changes to a Benchmark as a result of the Benchmark Regulation or other initiatives, could have a material adverse effect on the costs of refinancing securities linked to such Benchmark or the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain Benchmarks, trigger changes in the rules or methodologies used in certain Benchmarks or lead to the disappearance of certain Benchmarks. Although it is uncertain whether or to what extent any of the abovementioned changes and/or any further changes in the administration or method of determining a Benchmark could have an effect on the value of the Capital Securities, investors should be aware that they face the risk that any changes to the relevant Benchmark may have a material adverse effect on the value of and the amount payable under the Capital Securities.

### ***Holders of the Capital Securities have very limited rights in relation to the enforcement of payments on the Capital Securities***

If a default is made by the Issuer for a period of 30 days or more in relation to the payment of any interest, principal or premium in respect of the Capital Securities which is due and payable, the rights of the Holders in respect of the Capital Securities are limited to instituting proceedings for an Issuer Winding-up, and the Holders may prove and/or claim in respect of the Capital Securities in an Issuer Winding-up.

Whilst the claims of the Holders in an Issuer Winding-up are for the principal amount of their Capital Securities together with any Deferred Interest and any other accrued and unpaid interest, such claims will be subordinated as provided above under "*The Capital Securities are subordinated obligations; accordingly, claims in respect of the Capital Securities would rank junior to claims in respect of unsubordinated obligations of the Issuer in the event of an Issuer Winding-up*". The Holders shall not be entitled to accelerate payments of interest or principal under the Capital Securities in any circumstances outside an Issuer Winding-up. Furthermore, whilst the Holders may institute other proceedings against the Issuer to enforce the terms of the Capital Securities, the Issuer shall not, by virtue of such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

Accordingly, the Holders' rights of enforcement in respect of payments under the Capital Securities are very limited.

### ***No limitation on issuing or guaranteeing debt ranking senior to or pari passu with the Capital Securities***

There is no restriction in the Conditions on the amount of debt which the Issuer may issue or guarantee. The Issuer and its subsidiaries and affiliates may incur additional indebtedness or grant guarantees in respect of indebtedness or guarantees of third parties, including indebtedness that ranks *pari passu* with or senior to the Capital Securities. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Holders on an Issuer Winding-up and/or may increase the likelihood of a deferral of interest payments under the Capital Securities.

### ***The current IFRS accounting classification of financial instruments such as the Capital Securities as equity instruments may change, which may result in the occurrence of an Accounting Event***

In June 2018, the IASB (International Accounting Standards Board) published the discussion paper DP/2018/1 on "Financial Instruments with Characteristics of Equity", (the "DP/2018/1 Paper"). While the final timing and outcome are uncertain, if the proposals set out in the DP/2018/1 Paper are implemented in their current form, the current IFRS accounting classification of financial instruments such as the Capital

Securities as equity instruments may change and this may result in the occurrence of an Accounting Event. In such an event, the Issuer may have the option to redeem, in whole but not in part, the Capital Securities (pursuant to Condition 6(c)). The implementation of any of the proposals set out in the DP/2018/1 Paper or any other similar such proposals that may be made in the future, including the extent and timing of any such implementation, if at all, is uncertain. Accordingly, no assurance can be given as to the future classification of the Capital Securities from an accounting perspective or whether any such change may result in the occurrence of an Accounting Event, thereby providing the Issuer with the option to redeem the Capital Securities or substitute or vary the terms of the Capital Securities pursuant to the Conditions.

For a description of the risks related to the early redemption of the Capital Securities, see the Risk Factor entitled "*The Issuer may redeem the Capital Securities early; investors should consider reinvestment risk*".

#### ***Discontinuation of the Original Reference Rate***

The Conditions provide that, if a Benchmark Event (as defined in the Conditions) (which, amongst other events, includes the Original Reference Rate ceasing to exist, be administered or be published) occurs, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser. The Issuer and the Independent Adviser shall endeavour to determine a Successor Rate or an Alternative Rate to be used in place of the Original Reference Rate. The use of any such Successor Rate or Alternative Rate to determine the Reset Interest Rate for a Reset Period may result in the Capital Securities performing differently (which may include payment of a lower Reset Interest Rate for such Reset Period) than they would do if the Original Reference Rate were to continue to apply.

If a Successor Rate or Alternative Rate is determined by the Issuer and the Independent Adviser, the terms and conditions of the Capital Securities also provide that an Adjustment Spread may be determined by the Issuer and the Independent Adviser and applied to such Successor Rate or Alternative Rate. The aim of the Adjustment Spread is to reduce or eliminate, to the extent reasonably practicable, any economic prejudice or benefit (as the case may be) to Holders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate. However, it may not be possible to determine or apply an Adjustment Spread and, even if an Adjustment Spread is applied, such Adjustment Spread may not be effective to reduce or eliminate economic prejudice to Holders. If no Adjustment Spread can be determined, a Successor Rate or Alternative Rate may nonetheless be used to determine the Reset Interest Rate for a Reset Period. The use of any Successor Rate or Alternative Rate (including with the application of an Adjustment Spread) may still result in the Capital Securities performing differently (which may include payment of a lower Reset Interest Rate for such Reset Period) than they would if the Original Reference Rate were to continue to apply in its current form.

Furthermore, if a Successor Rate, Alternative Rate and/or Adjustment Spread, as applicable, is determined by the Issuer and the Independent Adviser, the terms and conditions of the Capital Securities provide that the Issuer and the Independent Adviser may agree to vary the terms and conditions of the Capital Securities, as necessary, to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread, as applicable, without any requirement for consent or approval of the Holders.

Notwithstanding the occurrence of a Benchmark Event, the Issuer may be unable to appoint an Independent Adviser in accordance with the Terms and Conditions of the Capital Securities, or the Issuer and the Independent Adviser may not be able to determine, or may not agree on the selection of, a Successor Rate or Alternative Rate in accordance with the Terms and Conditions of the Capital Securities before the Reset Interest Determination Date in respect of a Reset Period. In such circumstances, the Conditions provide for certain additional fall-back provisions which may result in (i) the 5 Year EUR Mid-Swap Rate being set by reference to offered quotations from banks communicated to the Calculation Agent or (ii) the last 5 Year EUR Mid-Swap Rate that was available on the Reset Screen Page being used to determine the Reset Interest Rate for a Reset Period.

If the Issuer is unable to appoint an Independent Adviser or the Issuer and the Independent Adviser fail to determine, or do not agree on the selection of, a Successor Rate or Alternative Rate for the life of the Capital Securities, this could result in the Capital Securities, in effect, becoming fixed rate securities.

Any of the foregoing could have an adverse effect on the value or liquidity of, and return on the Capital Securities.

***Interests of the Issuer's shareholders may conflict with those of the holders of the Capital Securities***

The interests of the Issuer's shareholders, in certain circumstances, may conflict with those of the Holders, particularly if the Issuer encounters financial difficulties or is unable to pay its debts when due. In addition, the Issuer's shareholders may have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgment, could enhance their equity investments, even though such transactions might involve risks to the Holders. Any of these actions could have an adverse effect on the Issuer's business, financial condition, results of operations and future prospects.



## DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with these Listing Particulars and have been filed with Euronext Dublin and shall be deemed to be incorporated in, and to form part of, these Listing Particulars:

1. The following sections of the base prospectus dated 24 July 2020 prepared by SBB (the "**Base Prospectus**"):
  - (i) "*Presentation of Financial and Other Information*" on page (v) of the Base Prospectus;
  - (ii) "*Third party Information*" on page (vii) of the Base Prospectus;
  - (iii) "*Risk Factors – Factors that may affect the group and the ability of the relevant Issuer to fulfil its obligations under notes issued under the Programme and (if applicable) the ability of the guarantor to fulfil its obligations under the guarantee*" on pages 6 to 16 of the Base Prospectus;
  - (iv) "*Description of SBB and its Operations*" on pages 81 to 97 of the Base Prospectus; and
  - (v) "*Ownership Structure of SBB*" on page 98 to 103 of the Base Prospectus.

<https://corporate.sbbnorden.se/en/wp-content/uploads/sites/2/2020/01/sbb-emtn-base-prospectus-dated-24-july-2020.pdf>

2. the following sections of the Supplement to the Base Prospectus dated 7 December 2020 (the "**December Supplement**"):
  - (i) The risk factor entitled "*Risks relating to the Offer - The Offer is subject to significant uncertainties.*" on page 3 of the December Supplement,
  - (ii) "*Amendments to "Description of SBB and its Operations" Section*" on pages 6 to 9 of the December Supplement;
  - (iii) "*Amendments to "Ownership Structure of SBB" Section*" on page 10 of the December Supplement;
  - (iv) "*Pro Forma Financial Statements*" on pages 12 to 24 of the December Supplement; and
  - (v) "*New Appendices*" on pages 25 onwards of the December Supplement.

<https://corporate.sbbnorden.se/en/wp-content/uploads/sites/2/2020/01/supplement-no-2-20201207-base-prospectus-e4000000000-euro-medium-term-note-programme-20200724.pdf>

3. the audited annual consolidated financial statements of SBB in respect of the year ended 31 December 2018 (the "**2018 Financial Statements**") and the audit report from Ernst & Young AB in respect of the 2018 Financial Statements, as set out on pages 90 - 145 (inclusive) of SBB's annual report for 2018:

<https://corporate.sbbnorden.se/en/wp-content/uploads/sites/2/2020/01/annual-report-2018.pdf>

4. the audited annual consolidated financial statements of SBB in respect of the year ended 31 December 2019 (the "**2019 Financial Statements**") and the audit report from Ernst & Young AB in respect of the 2019 Financial Statements, as set out on pages 70 – 117 (inclusive) of SBB's annual report for 2019:

<https://corporate.sbbnorden.se/en/wp-content/uploads/sites/2/2020/01/annual-report-2019.pdf>

5. the unaudited interim financial statements of SBB in respect of the six-month period ended 30 June 2020 (the "**Unaudited Q2 2020 Financial Statements**") as set out on pages 7 to 13 (inclusive) and 27 to 30 (inclusive) of SBB's report for the first six months of 2020:

<https://corporate.sbbnorden.se/en/wp-content/uploads/sites/2/2020/01/sbb-delarsrapport-2020-06-30-vf-eng.pdf>

6. the unaudited interim financial statements of SBB in respect of the first nine-month period ended 30 September 2020 (the "**Unaudited Q3 2020 Interim Financial Statements**") as set out on pages 10 to 16 (inclusive) and 29 to 35 (inclusive) of SBB's report for the first nine months of 2020:

<https://corporate.sbbnorden.se/en/wp-content/uploads/sites/2/2020/10/sbb-sbb-interim-report-january-september-2020-profit-after-tax-sek-415-per-class-a-and-b-ordinary-201103.pdf>

7. the unaudited financial statements of Hemfosa for the year-ended 31 December 2019 (the "**Unaudited Hemfosa Financial Statements**") as set out on pages 12 to 15 (inclusive) of Hemfosa's year-end report for 2019:

<https://corporate.sbbnorden.se/en/wp-content/uploads/sites/2/2020/05/year-end-report-january-december-2019.pdf> .

save, that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of these Listing Particulars to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of these Listing Particulars.

Copies of the documents incorporated by reference in these Listing Particulars may be inspected, free of charge, during usual business hours at the specified offices of the Fiscal Agent. Any documents themselves incorporated by reference in the documents incorporated by reference in these Listing Particulars shall not form part of these Listing Particulars. Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in these Listing Particulars.

The 2018 Financial Statements, the 2019 Financial Statements, the Unaudited Q2 2020 Financial Statements, the Unaudited Q3 2020 Interim Financial Statements and the Unaudited Hemfosa Financial Statements are English translations of the Swedish financial statements prepared for and used in the Kingdom of Sweden.

## FORWARD-LOOKING STATEMENTS

Certain statements included in these Listing Particulars may constitute "forward-looking statements". Forward-looking statements are all statements in these Listing Particulars that do not relate to historical facts and events, and include statements concerning the Issuer's plans, objectives, goals, strategies and future operations and performance and the assumptions underlying these forward-looking statements. The Issuer uses the words "may", "will", "could", "believes", "assumes", "intends", "estimates", "expects", "plans", "seeks", "approximately", "aims", "projects", "anticipates" or similar expressions, or the negative thereof, to generally identify forward-looking statements.

Forward-looking statements are set forth in a number of places in these Listing Particulars, including (without limitation) in the sections "*Risk Factors*" and "*Description of the Issuer and its operations*". The Issuer has based these forward-looking statements on the current view with respect to future events and financial performance. These views involve uncertainties and are subject to certain risks, the occurrence of which could cause actual results to differ materially from those predicted in the forward-looking statements contained in these Listing Particulars and from past results, performance or achievements. Although the Issuer believes that the estimates and the projections reflected in its forward-looking statements are reasonable, if one or more of the risks or uncertainties materialise or occur, including those which the Issuer has identified in these Listing Particulars, or if any of the Issuer's underlying assumptions prove to be incomplete or incorrect, the Issuer's actual results of operations may vary from those expected, estimated or projected.

These forward-looking statements are made only as at the date of these Listing Particulars. Except to the extent required by law, the Issuer is not obliged to, and does not intend to, update or revise any forward-looking statements made in these Listing Particulars whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributable to the Issuer, or persons acting on the Issuer's behalf, are expressly qualified in their entirety by the cautionary statements contained throughout these Listing Particulars. As a result of these risks, uncertainties and assumptions, a prospective purchaser of the Capital Securities should not place undue reliance on these forward-looking statements.

## TERMS AND CONDITIONS OF THE CAPITAL SECURITIES

The following, except for paragraphs in italics, is the text of the terms and conditions of the Capital Securities which, subject to modification, will be endorsed on each Capital Security in definitive form (if issued):

The EUR 500,000,000 Subordinated Fixed to Reset Rate 5.25 year Non-Call Undated Capital Securities (the "**Capital Securities**", which expression includes any Further Capital Securities issued pursuant to Condition 17 (*Further Issues*) and forming a single series therewith) of Samhällsbyggnadsbolaget i Norden AB (publ) AB (the **Issuer**) are the subject of a fiscal agency agreement dated 14 December 2020 (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuer, Deutsche Bank AG, London Branch, as fiscal agent (the "**Fiscal Agent**"), paying agent (together with the Fiscal Agent and any successor or additional paying agent appointed from time to time in connection with the Capital Securities, the "**Paying Agents**"), and calculation agent (the "**Calculation Agent**", which expression includes any successor calculation agent appointed from time to time in connection with the Capital Securities). Certain provisions of these Conditions are summaries of the Agency Agreement and subject to its detailed provisions. The Capital Securities have the benefit of a deed of covenant dated 14 December 2020 (the "**Deed of Covenant**") entered into by the Issuer. The holders of the Capital Securities (the **Holder**s) and the holders of the related interest coupons (the "**Couponholders**" and the "**Coupons**", respectively) and the holders of talons ("**Talons**") for future Coupons, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement applicable to them. Copies of the Agency Agreement and Deed of Covenant are available for inspection by Holders during normal business hours at the registered office for the time being of the Fiscal Agent, being at the date hereof Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom. Any capitalised terms not defined herein shall be given the meaning attributed in the Agency Agreement.

### 1. **Form, Denomination and Title**

#### (a) ***Form and Denomination***

The Capital Securities are serially numbered and in bearer form in denominations of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000, each with Coupons and a Talon attached at the time of issue. No definitive Capital Securities will be issued with a denomination above EUR 199,000. Capital Securities of one denomination may not be exchanged for Capital Securities of any other denomination.

#### (b) ***Title***

Title to the Capital Securities, Coupons and Talons will pass by delivery. The Issuer and any Paying Agent will (except as ordered by a court of competent jurisdiction or as otherwise required by law) deem and treat the bearer of any Capital Security, Coupon or Talon as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and shall not be required to obtain any proof thereof or as to the identity of such bearer.

### 2. **Status**

The Capital Securities and the Coupons constitute direct, unsecured and subordinated obligations of the Issuer. The rights and claims of the Holders in respect of the Capital Securities and the Couponholders in respect of the Coupons, in each case against the Issuer, are subordinated as described in Condition 3(a) (*Rights on a Winding-Up or Company Re-Construction*).

### 3. **Subordination and Rights on a Winding-Up**

#### (a) ***Rights on a Winding-Up or Company Re-Construction***

In the event of the voluntary or involuntary liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer (each an "**Issuer Winding-up**"), the Holders shall, in respect of their Capital Securities, have a claim (in lieu of any other amount) for the principal amount of the Capital Securities and any accrued and unpaid interest (including any Deferred Interest) thereon and such claims will rank:

- (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Securities;
- (ii) in priority to all present or future claims in respect of (A) any Share Capital of the Issuer and (B) any other obligation of the Issuer which ranks or is expressed by its terms to rank junior to the Capital Securities or any Parity Security; and
- (iii) junior to any present or future claims in respect of (A) all unsubordinated obligations of the Issuer and (B) all Subordinated Indebtedness.

In the event of a company re-construction (Sw. *företagsrekonstruktion*) of the Issuer under the Swedish Company Reorganisation Act (Sw. *lag (1996:764) om företagsrekonstruktion*) (an "**Issuer Re-construction**"), the Holders shall, in respect of the Capital Securities and Coupons, have a statutory claim (in lieu of any other amount) for the principal amount of their Capital Securities and any accrued and unpaid interest (including any Deferred Interest) thereon and such claims will rank:

- (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Securities; and
- (ii) junior to any present or future claims in respect of (A) all unsubordinated obligations of the Issuer and (B) all Subordinated Indebtedness.

*Claims in respect of the Share Capital of the Issuer, including the Outstanding Preference Shares, are not subject to loss absorbing measures under an Issuer Re-construction.*

#### (b) ***Set-Off***

Subject to applicable law, no Holder or Couponholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Capital Securities or the Coupons and each Holder and Couponholder shall, by virtue of its holding of any Capital Security or Coupon, be deemed to have waived all such rights of set-off, compensation or retention.

### 4. **Interest**

#### (a) ***Interest Accrual***

The Capital Securities bear interest on their principal amount at the applicable Interest Rate from (and including) 14 December 2020 (the "**Issue Date**") in accordance with the provisions of this Condition 4 (*Interest*).

The Capital Securities (and any unpaid amounts thereon) will cease to bear interest from (and including) the date of redemption thereof pursuant to the relevant paragraph of Condition 6 (*Redemption*) or the date of substitution thereof pursuant to Condition 7 (*Substitution or*

*Variation*), as the case may be, unless, upon due presentation, payment of all unpaid amounts in respect of the Capital Securities is not made, in which event interest shall continue to accrue in respect of the principal amount of, and any other unpaid amounts on, the Capital Securities, both before and after judgment, and shall be payable as provided in these Conditions up to (but excluding) the Relevant Date.

When interest is required to be calculated in respect of a period of less than a full year, such interest shall be calculated on the basis of the actual number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Issue Date) to (but excluding) the relevant payment date divided by the actual number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Issue Date) to (but excluding) the next (or, as the case may be, the first) scheduled Interest Payment Date (the "**day-count fraction**"). Where it is necessary to compute an amount of interest in respect of any Capital Security for a period of more than an Interest Period, such interest shall be the aggregate of the interest computed in respect of a full year plus the interest computed in respect of the period exceeding the full year calculated in the manner as aforesaid.

Interest in respect of any Capital Security shall be calculated per EUR1,000 in principal amount thereof (the "**Calculation Amount**"). The amount of interest calculated per Calculation Amount for any period shall be equal to the product of the relevant Interest Rate, the Calculation Amount and the day-count fraction for the relevant period and rounding the resulting figure to the nearest cent (half a cent being rounded upwards). The amount of interest payable in respect of a Capital Security shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the denomination of such Capital Security without any further rounding.

(b) ***Interest Payment Dates***

Subject to Condition 5 (*Optional Interest Deferral*), interest shall be payable on the Capital Securities annually in arrear on 14 March in each year (each an "**Interest Payment Date**") from (and including) 14 March 2021 (the "**First Interest Payment Date**").

(c) ***Initial Interest Rate***

The Interest Rate in respect of each Interest Period commencing prior to the First Reset Date is 2.625 per cent. per annum (the "**Initial Interest Rate**").

The first payment of interest, to be made on the First Interest Payment Date, will be in respect of the short first period from (and including) the Issue Date to (but excluding) the First Interest Payment Date and will amount to EUR 6.47 per Calculation Amount. The Interest Payment in respect of each Interest Period commencing on or after the First Interest Payment Date and before the First Reset Date will amount to EUR 26.25 per Calculation Amount (and any such Interest Payment may be deferred in accordance with Condition 5 (*Optional Interest Deferral*)).

(d) ***Reset Interest Rates***

The Interest Rate in respect of each Interest Period falling in a Reset Period shall be the aggregate of the applicable Margin and the applicable 5 Year EUR Mid-Swap Rate for such Reset Period, all as determined by the Calculation Agent (each a "**Reset Interest Rate**").

(e) ***Determination of Reset Interest Rates and Calculation of Interest Amounts***

The Calculation Agent shall, at or as soon as practicable after 11.00 a.m. (Central European Time) on each Reset Interest Determination Date, determine the Reset Interest Rate in respect of the Reset Period commencing immediately following such Reset Interest Determination Date and

shall calculate the amount of interest which will (subject to deferral in accordance with Condition 5 (*Optional Interest Deferral*)) be payable per Calculation Amount in respect of each such Interest Period (the "**Interest Amount**").

(f) ***Publication of Reset Interest Rates and Interest Amounts***

Unless the Capital Securities are to be redeemed, the Issuer shall cause notice of each Reset Interest Rate and each related Interest Amount to be given to the Fiscal Agent, Paying Agents, any stock exchange on which the Capital Securities are for the time being listed or admitted to trading and, in accordance with Condition 18 (*Notices*), the Holders, in each case as soon as practicable after its determination but in any event not later than the first Business Day of the relevant Reset Period.

(g) ***Calculation Agent***

The Issuer may from time to time replace the Calculation Agent with another reputable independent financial institution of good standing. If the Calculation Agent is unable or unwilling to continue to act as the Calculation Agent or fails to determine a Reset Interest Rate or calculate the related Interest Amount or effect the required publication thereof (in each case as required pursuant to these Conditions), the Issuer shall forthwith appoint another reputable independent financial institution of good standing to act as such in its place. The Calculation Agent may not resign its duties or be removed without a successor having been appointed as aforesaid. If the Issuer fails to appoint a successor Calculation Agent in a timely manner, then the Calculation Agent shall be entitled to appoint as its successor a reputable independent financial institution of good standing which the Issuer shall approve.

(h) ***Determinations of Calculation Agent Binding***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 4 (*Interest*) by the Calculation Agent shall (in the absence of wilful default, gross negligence, fraud or manifest error) be binding on the Issuer, the Calculation Agent, the Paying Agents and all Holders and Couponholders and (in the absence of wilful default, gross negligence or fraud) no liability to the Holders, the Couponholders or the Issuer shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of any of its powers, duties and discretions.

(i) ***Step-Up after Change of Control Event***

Notwithstanding any other provision of this Condition 4 (*Interest*), if the Issuer does not elect to redeem the Capital Securities in accordance with Condition 6(e) (*Redemption for Change of Control Event*) following the occurrence of the first Change of Control Event to occur on or after the Issue Date, the then prevailing Interest Rate, and each subsequent Interest Rate otherwise determined in accordance with the provisions of this Condition 4 (*Interest*), in respect of the Capital Securities shall be increased by an additional 5 percentage points per annum with effect from (and including) the day immediately following the Change of Control Step-up Date.

(j) ***Benchmark Event***

(i) Notwithstanding the provisions above in this Condition 4 (*Interest*), if, (on or after 14 September 2025, the Issuer (in consultation with the Calculation Agent) determines that a Benchmark Event has occurred in relation to the Original Reference Rate (whether such occurrence is before, on or after 14 September 2025) when any Reset Interest Rate (or any component part thereof) remains to be determined by reference to the Original Reference Rate, then the following provisions shall apply:

- (A) The Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer and the Independent Adviser determining, no later than five Business Days prior to the relevant Reset Interest Determination Date, a Successor Rate, failing which an Alternative Rate (in accordance with Condition 4(j)(i)(B)) below) and, in either case, an Adjustment Spread if any (in accordance with Condition 4(j)(i)(C) below) and any Benchmark Amendments (in accordance with Condition 4(j)(i)(D) below).

An Independent Adviser appointed pursuant to this Condition shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Calculation Agent, any Paying Agent or the Holders, or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with the operation of this Condition 4(j).

- (B) If:
- (1) the Issuer and the Independent Adviser agree that there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4(j)(i)(C) below) subsequently be used in place of the Original Reference Rate as a component part of determining the relevant Reset Interest Rate(s) for all future payments of interest on the Capital Securities (subject to the subsequent further operation of this Condition 4(j)); or
  - (2) the Issuer and the Independent Adviser agree that there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4(j)(i)(C) below) subsequently be used in place of the Original Reference Rate as a component part of determining the relevant Reset Interest Rate(s) for all future payments of interest on the Capital Securities (subject to the subsequent further operation of this Condition 4(j)); or
  - (3) either (I) the Issuer is unable to appoint an Independent Adviser or (II) the Issuer and the Independent Adviser do not agree on the selection of a Successor Rate or an Alternative Rate, five Business Days prior to the Reset Interest Determination Date relating to any applicable Reset Period, the fallback provisions set out in the definitions of 5 Year EUR Mid-Swap Rate and Reset Reference Bank Rate in Condition 22 (*Definitions*) will continue to apply. For the avoidance of doubt, this Condition 4(j)(i)(B)(3) shall apply to the determination of the Reset Interest Rate on the relevant Reset Interest Determination Date only, and the Reset Interest Rate applicable to any subsequent Reset Period(s) is subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(j).
- (C) If the Issuer and the Independent Adviser agree (I) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be).
- (D) If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 4(j) and the Issuer and the Independent Adviser agree: (I) that amendments to these Conditions and/or the Agency Agreement



are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (II) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(j)(i)(E) below, without any requirement for the consent or approval of the Holders, vary these Conditions and/or the Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 4(j)(i)(D), the Issuer shall comply with the rules of any stock exchange or other relevant authority on or by which the Capital Securities are for the time being listed or admitted to trading.

- (E) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(j) will be notified promptly (and in any case, no later than five Business Days prior to the Reset Interest Determination Date relating to any applicable Reset Period) by the Issuer to the Calculation Agent, the Paying Agents and, in accordance with Condition 18 (*Notices*), the Holders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any and will be binding on the Issuer, the Calculation Agent, the Paying Agents and the Holders.
- (F) Without prejudice to the obligations of the Issuer under this Condition 4(j)(i), the Original Reference Rate and the fallback provisions provided for in the definitions of 5 Year EUR Mid-Swap Rate and Reset Reference Bank Rate in Condition 22 (*Definitions*) will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with this Condition 4(j).

Notwithstanding any other provision of this Condition 4, if in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 4, the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

Such Benchmark Amendments shall not impose more onerous obligations on the party responsible for determining the Reset Interest Rate or expose it to any additional duties or liabilities unless such party consents.

- (ii) As used in this Condition 4(j):

"**Adjustment Spread**" means either a spread (which may be positive or negative or zero), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser acting in good faith determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Holders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) in the case of an Alternative Rate, or (where (A) above does not apply) in the case of a Successor Rate, 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 Rate (as the case may be); or
- (C) (if the Independent Adviser determines that neither (A) nor (B) above applies) the Independent Adviser determines to be appropriate;

**"Alternative Rate"** means an alternative benchmark or screen rate which the Independent Adviser and the Issuer agree in accordance with this Condition 4(j) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for resetting 5 year periods in euro;

**"Benchmark Amendments"** has the meaning specified in Condition 4(j)(i)(D);

**"Benchmark Event"** means:

- (A) the Original Reference Rate ceasing to exist, be administered or be published;
- (B) the later of (I) the making of a public statement by the administrator or an insolvency official with jurisdiction over the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (II) the date falling six months prior to the specified date referred to in (B)(I) above;
- (C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued;
- (D) the later of (I) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (II) the date falling six months prior to the specified date referred to in (D)(I) above;
- (E) the later of (I) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case on or before a specified date and (II) the date falling six months prior to the specified date referred to in (E)(I) above; and/or
- (F) it has, or will prior to the next Reset Interest Determination Date, become unlawful for the Issuer, the Calculation Agent, any Paying Agent or any other party to calculate any payments due to be made to any Holder using the Original Reference Rate;

**"Independent Adviser"** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 4(j)(i) at its own expense;

**"Original Reference Rate"** means the rate described in the first paragraph of the definition of 5 Year EUR Mid-Swap Rate in Condition 22 (*Definitions*);

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

- (A) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate; or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (I) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the Original Reference Rate relates, (II) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate, (III) a group of the aforementioned central banks or other supervisory authorities, or (IV) the Financial Stability Board or any part thereof; and

**"Successor Rate"** means a successor to or replacement of the Original Reference Rate which is provided by law or regulation applicable to indebtedness denominated in the currency to which the Original Reference Rate relates and/or formally recommended by any Relevant Nominating Body.

5. **Optional Interest Deferral**

(a) ***Deferral of Interest Payments***

The Issuer may, at any time and at its sole discretion, elect to defer any Interest Payment, in whole but not in part, which is otherwise scheduled to be paid on an Interest Payment Date (except on any Interest Payment Date on which the Capital Securities are to be redeemed) by giving notice (a "**Deferral Notice**") of such election to the Holders in accordance with Condition 18 (*Notices*), the Fiscal Agent and to the Paying Agents not less than seven Business Days prior to the relevant Interest Payment Date.

Any Interest Payment so deferred pursuant to this Condition 5(a) (*Deferral of Interest Payments*) shall, from (and including) the Interest Payment Date on which such Interest Payment would (but for its deferral) have been payable to (but excluding) the date on which it is paid in full, itself bear interest at the Interest Rate prevailing from time to time (which interest shall compound on each subsequent Interest Payment Date) and, for so long as the same remains unpaid, such deferred interest (together with the interest accrued thereon) shall constitute "**Deferred Interest**".

The deferral of an Interest Payment in accordance with this Condition 5(a) (*Deferral of Interest Payments*) shall not constitute a default by the Issuer under the Capital Securities or for any other purpose.

(b) ***Settlement of Deferred Interest***

(i) ***Optional Settlement***

Deferred Interest may be paid (in whole but not in part) at any time at the option of the Issuer following delivery of a notice to such effect given by the Issuer to the Holders in

accordance with Condition 18 (*Notices*), the Fiscal Agent and the Paying Agents not less than seven Business Days prior to the date (to be specified in such notice) on which the Issuer will pay such Deferred Interest.

(ii) ***Mandatory Settlement***

The Issuer shall pay any Deferred Interest, in whole but not in part, on the first to occur of the following dates:

- (A) the 10th Business Day following the date on which a Deferred Interest Payment Event occurs;
- (B) any Interest Payment Date in respect of which the Issuer does not elect to defer the interest accrued in respect of the relevant Interest Period; and
- (C) the date on which the Capital Securities are redeemed or repaid in accordance with Condition 6 (*Redemption*) or Condition 12 (*Default and Enforcement*).

Notice of any Deferred Interest Payment Event shall be given by the Issuer to the Holders in accordance with Condition 18 (*Notices*), the Fiscal Agent and to the Paying Agents within three Business Days of such event.

6. **Redemption**

(a) ***Final Redemption Date***

The Capital Securities are perpetual securities in respect of which there is no fixed redemption date and the Issuer shall (subject to the provisions of Condition 3(a) (*Rights on a Winding-Up or Company Re-Construction*)) only have the right to repay them in accordance with the following provisions of this Condition 6 (*Redemption*).

(b) ***Issuer's Call Option***

The Issuer may, by giving not less than 30 nor more than 60 days' notice to the Paying Agents and, in accordance with Condition 18 (*Notices*), the Holders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the Capital Securities on (a) any date from 14 December 2025 up to and including the First Reset Date or (b) on any Interest Payment Date thereafter at their principal amount together with any Deferred Interest and any other accrued and unpaid interest up to (but excluding) the redemption date.

Upon the expiry of such notice, the Issuer shall redeem the Capital Securities.

(c) ***Redemption upon a Tax Deductibility Event, a Capital Event or an Accounting Event***

If a Tax Deductibility Event, a Capital Event or an Accounting Event has occurred and is continuing, the Issuer may, by giving not less than 30 nor more than 60 days' notice to the Paying Agents and, in accordance with Condition 18 (*Notices*), the Holders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Condition 8 (*Preconditions to Special Event Redemption, Change of Control Event Redemption, Substitution or Variation*), redeem all, but not some only, of the Capital Securities at any time at an amount equal to:

- (i) 101 per cent. of their principal amount, where such redemption occurs before 14 December 2025; or

- (ii) 100 per cent. of their principal amount, where such redemption occurs on or after 14 December 2025,

together, in each case, with any Deferred Interest and any other accrued and unpaid interest up to (but excluding) the redemption date.

Upon the expiry of such notice, the Issuer shall redeem the Capital Securities.

(d) ***Redemption upon a Withholding Tax Event or a Substantial Repurchase Event***

If a Withholding Tax Event has occurred and is continuing, or if a Substantial Repurchase Event has occurred, the Issuer may, by giving not less than 30 nor more than 60 days' notice to the Paying Agents and, in accordance with Condition 18 (*Notices*), the Holders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Condition 8 (*Preconditions to Special Event Redemption, Change of Control Event Redemption, Substitution or Variation*), redeem all, but not some only, of the Capital Securities at any time at their principal amount together with any Deferred Interest and any other accrued and unpaid interest up to (but excluding) the redemption date.

Upon the expiry of such notice, the Issuer shall redeem the Capital Securities.

(e) ***Redemption for Change of Control Event***

If on or after the Issue Date (i) a Change of Control occurs; and (ii) within the Change of Control Period, a Rating Downgrade in respect of that Change of Control occurs (a "**Change of Control Event**") the Issuer may, at the earliest on the date following the expiry of the Exercise Period, and upon giving not less than 30 nor more than 60 days' notice to the Holders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the Capital Securities at an amount equal to 100 per cent. of their principal amount together with any Deferred Interest and any other accrued and unpaid interest up to (but excluding) the redemption date.

Upon the expiry of such notice, the Issuer shall redeem the Capital Securities.

Immediately upon the Issuer becoming aware that a Change of Control Event has occurred, the Issuer shall give notice (a "**Change of Control Notice**") to the Holders in accordance with Condition 18 (*Notices*) specifying the nature of the Change of Control Event.

7. **Substitution or Variation**

If at any time a Tax Deductibility Event, a Capital Event, a Withholding Tax Event or an Accounting Event has occurred on or after the Issue Date and is continuing, then the Issuer may, subject to Condition 8 (*Preconditions to Special Event Redemption, Change of Control Event Redemption, Substitution or Variation*) (without any requirement for the consent or approval of the Holders or Couponholders) and having given not less than 30 nor more than 60 days' notice to the Paying Agents and, in accordance with Condition 18 (*Notices*), to the Holders (which notice shall be irrevocable), at any time either:

- (i) substitute all, but not some only, of the Capital Securities for Qualifying Capital Securities; or
- (ii) vary the terms of the Capital Securities with the effect that they remain or become, as the case may be, Qualifying Capital Securities.

Upon expiry of such notice, the Issuer shall either vary the terms of or, as the case may be, substitute the Capital Securities in accordance with this Condition 7 (*Substitution or Variation*).

In connection with any substitution or variation in accordance with this Condition 7 (*Substitution or Variation*), the Issuer shall comply with the rules of any stock exchange on which the Capital Securities are for the time being listed or admitted to trading.

**8. Preconditions to Special Event Redemption, Change of Control Event Redemption, Substitution or Variation**

Prior to the publication of any notice of redemption pursuant to Condition 6 (*Redemption*) (other than redemption pursuant to Condition 6(b) (*Issuer's Call Option*)) or any notice of substitution or variation pursuant to Condition 7 (*Substitution or Variation*), the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer stating:

- (i) that the relevant requirement or circumstance giving rise to the right to redeem, substitute or vary (as the case may be) the Capital Securities is satisfied;
- (ii) in the case of a Withholding Tax Event, that the Issuer is unable to avoid paying additional amounts by taking measures reasonably available to it;
- (iii) in the case of an Accounting Event only, a copy of a letter or report from a recognised international accounting firm confirming that an Accounting Event has occurred; and
- (iv) in the case of a substitution or variation pursuant to Condition 7 (*Substitution or Variation*), that:
  - (A) the Issuer has determined that the terms of the Qualifying Capital Securities are not materially less favourable to Holders than the terms of the Capital Securities and that determination was reasonably reached by the Issuer in consultation with an independent investment bank, independent financial adviser or legal counsel of international standing;
  - (B) the criteria specified in paragraphs (a) to (h) of the definition of Qualifying Capital Securities will be satisfied by the Qualifying Capital Securities upon issue; and
  - (C) the relevant substitution or variation (as the case may be) will not result in the occurrence of a Special Event.

In addition, (i) in the case of a Tax Deductibility Event or a Withholding Tax Event, the Issuer shall deliver to the Fiscal Agent an opinion of independent legal or other tax advisers to the effect that the relevant requirement or circumstance giving rise to the right to redeem, substitute or vary is satisfied (save, in the case of a Withholding Tax Event, as to whether reasonable measures to avoid paying additional amounts are available to the Issuer) and (ii) in the case of a Tax Deductibility Event only, the Issuer shall deliver to the Fiscal Agent a tax ruling from the Swedish tax authorities, issued prior to the Tax Law Change, which confirms that the Issuer was entitled to claim a Tax Deduction on or after the Issue Date.

Such certificate and, if applicable, opinion and tax ruling shall be conclusive and binding on the Holders and the Couponholders.

Any redemption of the Capital Securities in accordance with Condition 6 (*Redemption*) shall be conditional on all Deferred Interest being paid in full in accordance with the provisions of Condition 5(b)(ii) (*Mandatory Settlement*) on or prior to the date of such redemption.

9. **Purchases and Cancellation**

(a) ***Purchase***

Each of the Issuer and any of its Subsidiaries may at any time purchase or procure others to purchase beneficially for its account any or all Capital Securities in the open market or otherwise and at any price. The Capital Securities so purchased may be held or resold (**provided that** such resale is outside the United States and is otherwise in compliance with all applicable laws) or surrendered for cancellation at the option of the Issuer or otherwise, as the case may be in compliance with Condition 9(b) (*Cancellation of Capital Securities*) below. Any purchases of Capital Securities will be made together with all unmatured Coupons and Talons appertaining thereto.

The Capital Securities so purchased, while held by or on behalf of the Issuer or any such Subsidiary shall not entitle the Holder to vote at any meeting of the Holders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Holders or for the purposes of Condition 16 (*Meetings of Holders; Modification and Waiver; Issuer Substitution*).

(b) ***Cancellation of Capital Securities***

All Capital Securities which are redeemed pursuant to Condition 6 (*Redemption*) or substituted pursuant to Condition 7 (*Substitution or Variation*) and all Capital Securities purchased and surrendered for cancellation pursuant to Condition 9(a) (*Purchase*) (in each case, together with all unmatured Coupons and unexchanged Talons relating thereto) will be cancelled and may not be reissued or resold. For so long as the Capital Securities are admitted to trading on the Global Exchange Market ("**GEM**") of the Irish Stock Exchange plc, trading as Euronext Dublin ("**Euronext Dublin**") and the rules of such exchange so require, the Issuer shall promptly inform Euronext Dublin of the cancellation of any Capital Securities under this Condition 9(b) (*Cancellation of Capital Securities*).

10. **Payments**

(a) ***Method of Payment***

(i) ***Principal, Premium and Interest***

Payments of principal, premium and interest will be made against presentation and surrender of Capital Securities or the appropriate Coupons (as the case may be) at the specified office of any of the Paying Agents except that payments of interest in respect of any period not ending on an Interest Payment Date will only be made against presentation and either surrender or endorsement (as appropriate) of the relevant Capital Securities. Such payments will be made by transfer to a Euro account (or other account to which Euro may be credited or transferred) maintained by the payee with a bank in a city in which banks have access to the TARGET System.

(ii) ***Unmatured Coupons***

Upon the due date for redemption of any Capital Security, unmatured Coupons relating to such Capital Security (whether or not attached) shall become void and no payment shall be made in respect of them. Where any Capital Security is presented for redemption without all unmatured Coupons relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(iii) ***Talons***

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Capital Securities, the Talon forming part of such Coupon sheet may be surrendered at the specified office of any of the Paying Agents in exchange for a further Coupon sheet (to include another Talon for a further Coupon sheet, if appropriate) (but excluding any Coupons that may have become void pursuant to Condition 13 (*Prescription*)).

(b) ***Payments on Business Days***

If the due date for payment of any amount in respect of any Capital Security or Coupon is not a business day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding business day in such place and shall not be entitled to any further interest or other payment in respect of any such delay. In this paragraph, "**business day**" means, in respect of any place of presentation, any day on which banks are open for presentation and payment of bearer debt securities and for dealings in foreign currencies in such place of presentation and, in the case of payment by transfer to a Euro account as referred to above, is a day on which the TARGET System is operating.

(c) ***Payments subject to Fiscal Laws***

All payments in respect of the Capital Securities are subject in all cases to any (i) applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 11 (*Taxation*) and (ii) 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 (without prejudice to the provisions of Condition 11 (*Taxation*)) any law implementing an intergovernmental approach thereto ("**FATCA Withholding**").

(d) ***Interpretation of Principal, Premium and Interest***

References in these Conditions to principal, premium, Interest Payments, Deferred Interest and/or any other amount in respect of interest shall be deemed to include any additional amounts which may become payable pursuant to Condition 11 (*Taxation*).

11. **Taxation**

All payments of principal, premium and interest (including Deferred Interest) in respect of the Capital Securities and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges ("**Taxes**") of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Sweden or any political subdivision thereof or any authority therein or thereof having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal, premium and interest (including Deferred Interest) on the Capital Securities and Coupons, unless the withholding or deduction of such Taxes is required by law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Holders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Capital Security or Coupon:

- (a) presented for payment in Sweden; or



- (b) held by or on behalf of, a Holder who is liable for the Taxes in respect of such Capital Security or Coupon by reason of having some connection with Sweden other than the mere holding of such Capital Security or Coupon; or
- (c) presented for payment more than 30 days after the Relevant Date except to the extent that the Holder or Couponholder would have been entitled to additional amounts on presenting the same for payment on the last day of such period of 30 days assuming that day to have been a business day (as defined in Condition 10(b) (*Payments on Business Days*)).

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Capital Securities by or on behalf of the Issuer, will be paid net of any deduction or withholding imposed or required pursuant to any FATCA Withholding. Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

Any reference in these Conditions to principal or interest (including Deferred Interest) shall be deemed to include any additional amounts in respect of principal or interest (as the case may be) which may be payable under this Condition 11 (*Taxation*) or any undertaking given in addition to or in substitution of this Condition 11 (*Taxation*).

## 12. **Default and Enforcement**

### (a) ***Proceedings***

Without prejudice to the Issuer's right to defer the payment of interest under Condition 5(a) (*Deferral of Interest Payments*), if a default is made by the Issuer for a period of 30 days or more in relation to the payment of any interest, principal or premium in respect of the Capital Securities which is due and payable, then the Issuer shall be deemed to be in default under the Capital Securities and the Coupons and any Holder may institute proceedings for an Issuer Winding-up **provided that** the default is continuing.

In the event of an Issuer Winding-up, a Holder may, provided such Holder does not contravene a previously adopted Extraordinary Resolution (if any), prove and/or claim in such Issuer Winding-up in respect of its Capital Securities, such claim being for such amount, and being subordinated in such manner, as is provided under Condition 3(a) (*Rights on a Winding-Up or Company Re-Construction*).

### (b) ***Enforcement***

Any Holder may at its discretion and without further notice institute such proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Capital Securities or the Coupons but in no event shall the Issuer, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

### (c) ***Extent of Holders' Remedy***

No remedy against the Issuer, other than as referred to in this Condition 12 (*Default and Enforcement*), shall be available to the Holders or Couponholders, whether for the recovery of amounts owing in respect of the Capital Securities or the Coupons or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Capital Securities or the Coupons.

13. **Prescription**

Claims for principal and premium shall become void unless the relevant Capital Securities are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons (which for this purpose shall not include Talons) are presented for payment within five years of the appropriate Relevant Date. There shall be no prescription period for Talons but there shall not be included in any Coupon sheet issued in exchange for a Talon any Coupon the claim in respect of which would be void pursuant to this Condition 13 (*Prescription*) or Condition 10(a)(iii) (*Talons*).

14. **Replacement of Capital Securities, Coupons and Talons**

If any Capital Security, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Paying Agent, subject to all applicable laws, regulations and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require.

Mutilated or defaced Capital Securities, Coupons or Talons must be surrendered before replacements will be issued.

15. **Agents**

In acting under the Agency Agreement and in connection with the Capital Securities, Coupons and Talons, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Holders or Couponholders.

The initial Paying Agent and its initial specified office is listed in the Agency Agreement. The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent and to appoint a successor paying agent; **provided, however, that**

- (a) the Issuer shall at all times maintain a fiscal agent;
- (b) so long as the Capital Securities are listed on any stock exchange, there will at all times be a Paying Agent (which may be the Fiscal Agent) having a specified office outside Sweden in such place as may be required by the rules and regulations of the relevant stock exchange (or any other relevant authority); and
- (c) a Paying Agent in a jurisdiction other than the jurisdiction in which the Issuer is incorporated.

Notice of any change in the Paying Agent or in its specified office shall promptly be given to the Holders in accordance with Condition 18 (*Notices*).

16. **Meetings of Holders; Modification and Waiver; Issuer Substitution**

(a) ***Meetings of Holders***

The Agency Agreement contains provisions for convening meetings of Holders to consider any matter affecting their interest, including the sanctioning by Extraordinary Resolution of a modification of the Capital Securities, the Coupons or any provision of the Agency Agreement. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Holders holding not less than 10 per cent. of the aggregate principal amount of the outstanding Capital Securities. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more persons holding or representing more than 50 per cent. of the

nominal amount of the Capital Securities for the time being outstanding or, at any adjourned meeting, one or more persons being or representing Holders whatever the principal amount of the Capital Securities so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Capital Securities or Coupons (including, inter alia, the provisions regarding subordination referred to in Condition 3 (*Subordination and Rights on a Winding-Up*), the terms concerning currency and due dates for payment of principal, premium or interest (including Deferred Interest) in respect of the Capital Securities and reducing or cancelling the principal amount of any Capital Securities, any premium or any Interest Rate), the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than 75 per cent. or, at any adjourned such meeting, not less than 25 per cent. of the nominal amount of the Capital Securities for the time being outstanding. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Holders and Couponholders, whether or not they are present at any meeting and whether or not they voted on the resolution.

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 of at least 75 per cent. of the votes cast, (ii) a resolution in writing signed by or on behalf of the Holders representing 75 per cent. or more in nominal amount of the Capital Securities for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing systems by or on behalf of the Holders representing 75 per cent. or more in nominal amount of the Capital Securities for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Holders.

The agreement or approval of the Holders shall not be required in the case of any variation of these Conditions required to be made in the circumstances described in Condition 7 (*Substitution or Variation*) in connection with the substitution or variation of the terms of the Capital Securities so that they remain or become Qualifying Capital Securities.

(b) ***Modification and Waiver***

The Capital Securities, these Conditions and the Deed of Covenant may be amended without the consent of the Holders if the modification is of a formal, minor or technical nature or is to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Holders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Holders.

Any such modification and waiver shall be binding on the Holders and the Couponholders.

(c) ***Issuer Substitution***

The Issuer, or any previously substituted company, may at any time, without the consent of the Holders or the Couponholders, substitute for itself as principal debtor under the Capital Securities and the Coupons on a subordinated basis equivalent to that referred to in Conditions 2 (Status) and 3 (*Subordination and Rights on a Winding-Up*) such company (the "**Substitute**") in the manner specified in the Agency Agreement, **provided that** no payment in respect of the Capital Securities or the Coupons is at the relevant time overdue and no Special Event will occur as a result of the substitution. Such substitution shall be made by a deed poll (the "**Deed Poll**"), to be substantially in the form exhibited to the Agency Agreement, and may take place only if:

- (i) where the Substitute is incorporated, domiciled or resident for taxation purposes in a territory other than Sweden, the Deed Poll shall contain a covenant by the Substitute and/or such other provisions as may be necessary to ensure that each Holder has the benefit of a covenant in terms corresponding to the provisions of Condition 11 (*Taxation*) with the substitution for the references to Sweden of references to the territory or

territories in which the Substitute is incorporated, domiciled and/or resident for taxation purposes;

- (ii) in the event that all the assets and liabilities of the Issuer are not assumed by the Substitute, the obligations of the Substitute under the Deed Poll, the Capital Securities and the Coupons shall be unconditionally and irrevocably guaranteed by the Issuer on the same subordinated basis as the Capital Securities under Condition 3 (*Subordination and Rights on a Winding-Up*) by means of the Deed Poll;
- (iii) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll, the Capital Securities and Coupons represent valid, legally binding and enforceable obligations of the Substitute and if applicable, of the Issuer or the previously substituted company have been taken, fulfilled and done and are in full force and effect and the Substitute and the Issuer or the previously substituted company, if applicable, shall give a representation and warranty to this effect;
- (iv) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it;
- (v) each stock exchange which has the Capital Securities listed thereon shall have confirmed that, following the proposed substitution of the Substitute, the Capital Securities would continue to be listed on such stock exchange;
- (vi) legal opinions addressed to the Holders and dated not more than 7 days prior to the substitution shall have been delivered to them (care of the Fiscal Agent) from a lawyer or firm of lawyers with a leading securities practice in each jurisdiction referred to in paragraph (i) above, in the jurisdiction of the Issuer where it gives a guarantee pursuant to paragraph (ii) above and in England confirming (A) that the Substitute has obtained all necessary approvals for its assumptions of its duties and liabilities as the Substitute and, where relevant, the Issuer has obtained all necessary approvals for its giving of the guarantee referred to in (ii) above; (B) the status of the guarantee is in line with paragraph (ii) above; and (C) any documents to which the Substitute is a party under paragraphs (i), (ii) and (iv) above constitute legal and binding obligations of the Substitute;
- (vii) the Issuer shall have given at least 14 days' prior notice of such substitution to the Holders, stating that copies, or, pending execution, the agreed text, of all documents in relation to the substitution which are referred to above, or which might otherwise reasonably be regarded as material to Holders, will be available for inspection at the specified office of each of the Paying Agents;
- (viii) the Substitute shall have appointed the process agent appointed by the Issuer in Condition 20(c) (*Appointment of Process Agent*) or another person with an office in England as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Capital Securities; and
- (ix) two directors of the Issuer shall have certified to the Fiscal Agent for the benefit of the Holders that, following consultation with an independent investment bank of international standing, the Issuer has concluded that such substitution will not result in the terms of the Capital Securities immediately following such substitution being materially less favourable to Holders than the terms of the Capital Securities immediately prior to such substitution.

17. **Further Issues**

The Issuer may from time to time, without the consent of the Holders or the Couponholders, create and issue further Capital Securities having the same terms and conditions as the Capital Securities in all respects (or in all respects except for the first payment of interest) so that the same shall be consolidated and form a single series with the Capital Securities ("**Further Capital Securities**").

18. **Notices**

Notices to the Holders shall be valid if published in a leading newspaper having general circulation in London (which is expected to be the Financial Times or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe) and for so long as the Capital Securities are admitted to trading on Euronext Dublin and the rules of Euronext Dublin so require, publication will also be made in a leading daily newspaper having general circulation in the Republic of Ireland (which is expected to be the Irish Times). The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Capital Securities are for the time being listed. Any such notice shall be deemed to have been given on the date of first publication. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Holders.

19. **Currency Indemnity**

If any sum due from the Issuer in respect of the Capital Securities or any order or judgment given or made in relation thereto has to be converted from the currency (the "**First Currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**Second Currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Capital Securities or the Issuer, the Issuer shall indemnify each Holder, on the written demand of such Holder addressed to the Issuer and delivered to the Issuer, or to the specified office of the Fiscal Agent with its specified office in London against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the First Currency into the Second Currency and (ii) the rate or rates of exchange at which such Holder may in the ordinary course of business purchase the First Currency with the Second Currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof, on the date of such receipt. This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

20. **Governing Law and Jurisdiction**

(a) ***Governing Law***

The Agency Agreement, the Capital Securities, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with any of them, are governed by, and shall be construed in accordance with, English law, other than the provisions of Condition 3(a) (*Rights on a Winding-Up or Company Re-Construction*) and any non-contractual obligations arising out of or in connection with them which are governed by, and shall be construed in accordance with, the laws of Sweden.

(b) ***Jurisdiction***

The Issuer has irrevocably agreed for the benefit of the Holders and Couponholders, that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Capital Securities, the Coupons or the Talons, or any non-contractual

obligation arising out of or in connection with them, and accordingly submits to the exclusive jurisdiction of the English courts.

The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum.

The Holders and Couponholders may take any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Capital Securities against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions if and to the extent permitted by law.

(c) ***Appointment of Process Agent***

The Issuer appoints Law Debenture Corporate Services Limited at 8th Floor, 100 Bishopsgate, London EC2N 4AG, as its agent for service of process, or to such other person with an address in England or Wales and/or at such other address in England or Wales as the Issuer may specify by notice in writing to the Holders. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

21. **Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Capital Securities under the Contracts (Rights of Third Parties) Act 1999.

22. **Definitions**

In these Conditions:

"**5 Year EUR Mid-Swap Rate**" means, with respect to a Reset Period, the mid swap rate for euro swap transactions with a maturity of five years ("**5 Year EUR Mid-Swap**"), as published on Reuters screen **ICESWAP2** under **FIXED VS. 6M EURIBOR** (or such other page or service as may replace it for the purposes of displaying European swap rates of leading reference banks for swaps in Euro) (in each case, the **Reset Screen Page**), as at approximately 11.00 a.m. (Central European time) on the Reset Interest Determination Date applicable to such Reset Period.

In the event that the relevant 5 Year EUR Mid-Swap Rate does not appear on the Reset Screen Page on the relevant Reset Interest Determination Date, the 5 Year EUR Mid-Swap Rate will be the Reset Reference Bank Rate on such Reset Interest Determination Date. If (a) at least three quotations are provided, the 5 Year EUR Mid-Swap Rate will be calculated by the Calculation Agent on the basis of the arithmetic mean (or, if only three quotations are provided, the median) of the quotations provided, eliminating the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest); (b) only two quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations provided; (c) only one quotation is provided, the Reset Reference Bank Rate will be the quotation provided; and (d) no quotations are provided, the Reset Reference Bank Rate for the relevant period will be: (i) in the case of each Reset Period other than the Reset Period commencing on the First Reset Date, the Reset Reference Bank Rate in respect of the immediately preceding Reset Period, or (ii) in the case of the Reset Period commencing on the First Reset Date, -0.486 per cent. which represents the 5 Year EUR Mid-Swap Rate at pricing.

The "**5 year Swap Rate Quotations**" means, in relation to any Reset Period, the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 Day Count Basis) of a fixed-for-floating euro interest rate swap which (i) has a term of 5 years commencing on the relevant Reset Date, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and

(iii) has a floating leg based on the 6-month EURIBOR rate (calculated on the basis of the actual number of days elapsed and a year of 360 days).

an "**Accounting Event**" shall be deemed to occur if, as a result of a change in accounting principles which becomes effective on or after the Issue Date, but not otherwise, the obligations of the Issuer under the Capital Securities must not or may no longer be recorded as "equity" in the next following audited annual consolidated financial statements of the Issuer prepared in accordance with IFRS or any other accounting standards that the Issuer may adopt in the future for the preparation of its audited annual consolidated financial statements in accordance with Swedish company law;

"**Agency Agreement**" has the meaning given in the preamble of the Conditions;

"**Business Day**" means a day, other than a Saturday, Sunday or public holiday, on which commercial banks and foreign exchange markets are open for general business in London and Stockholm and on which the TARGET System is open;

"**Calculation Agent**" means Deutsche Bank AG, London Branch, or any successor appointed in accordance with the Agency Agreement;

"**Calculation Amount**" has the meaning given to it in Condition 4(a) (*Interest Accrual*);

a "**Capital Event**" shall be deemed to occur if the Issuer has received confirmation from any Rating Agency, providing a solicited rating at the invitation or with the consent of the Issuer, either directly or via a publication by such Rating Agency, that an amendment, clarification or change has occurred in the equity credit criteria of such Rating Agency effective after the Issue Date (or effective after the date when the equity credit is assigned for the first time, as applicable) and this has resulted in lower equity credit (or such other nomenclature that the relevant Rating Agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) for the Capital Securities than the equity credit assigned on the Issue Date (or if equity credit is not assigned on the Issue Date, at the date when the equity credit is assigned for the first time);

"**Capital Securities**" has the meaning given in the preamble to the Conditions;

"**Change of Control**" occurs when a person or persons, acting together, acquire (i) the beneficial ownership (directly or indirectly) of more than 50 per cent. of the total voting rights represented by shares of the Issuer, or (ii) the power to appoint or remove the majority of the members of the board of directors of the Issuer;

"**Change of Control Event**" has the meaning given to it in Condition 6(e) (*Redemption for Change of Control Event*);

"**Change of Control Notice**" has the meaning given to it in Condition 6(e) (*Redemption for Change of Control Event*);

"**Change of Control Period**" means the period commencing on the Relevant Announcement Date and ending 120 days after the occurrence of the Change of Control or, where a Rating Agency has publicly announced that the Senior Notes are under consideration for rating review or, as the case may be, being assigned a solicited rating (such public announcement being within the period ending 120 days after the Change of Control), the later of (i) such 120th day after the Change of Control and (ii) the date falling 60 days after such public announcement;

"**Change of Control Step-up Date**" shall be date which is 30 days after the date following the expiry of the Exercise Period;

"**Code**" has the meaning given to it in Condition 10(c) (*Payments subject to Fiscal Laws*);

"**Conditions**" means these terms and conditions of the Capital Securities, as amended from time to time;

"**continuing**" is an event or failure that has not been waived or remedied;

"**Coupon**" has the meaning given in the preamble to the Conditions;

"**Couponholders**" has the meaning given in the preamble to the Conditions;

"**Deferral Notice**" has the meaning given in Condition 5(a) (*Optional Interest Deferral - Deferral of Interest Payments*);

"**Deferred Interest**" has the meaning given in Condition 5(a) (*Optional Interest Deferral - Deferral of Interest Payments*);

A "**Deferred Interest Payment Event**" means any one or more of the following events:

- (a) declaration or payment of any distribution or dividend or any other payment made by the Issuer on its Share Capital or any other obligation of the Issuer which ranks or is expressed by its terms to rank junior to the Capital Securities or any Parity Securities;
- (b) declaration or payment of any distribution or dividend or any other payment made by the Issuer or any Subsidiary of the Issuer, as the case may be, on any Parity Securities or the Capital Securities;
- (c) redemption, repurchase, repayment, cancellation, reduction or other acquisition by the Issuer or any Subsidiary of the Issuer of its Share Capital or any other obligation of the Issuer which ranks or is expressed by its terms to rank junior to the Capital Securities or any Parity Securities; and/or
- (d) redemption, repurchase, repayment, cancellation, reduction or other acquisition by the Issuer or any Subsidiary of the Issuer of any Parity Securities or any Capital Securities,

save for:

- (i) in each case, any compulsory distribution, dividend, other payment, redemption, repurchase, repayment, cancellation, reduction or other acquisition required by the terms of such securities or by mandatory operation of applicable law;
- (ii) in the case of (c) above only, any redemption, repurchase, repayment, cancellation, reduction or other acquisition that is executed in connection with, or for the purpose of (1) any reduction of the quota value of the Share Capital of the Issuer without a corresponding return of cash, capital or assets to shareholders of the Issuer or (2) any share buyback programme then in force and duly approved by the shareholders' general meeting of the Issuer or the relevant Subsidiary of the Issuer (as applicable) or any existing or future stock option plan or free share allocation plan or other incentive plan, in all cases of this (ii)(2), reserved for directors, officers and/or employees of the Issuer or the relevant Subsidiary of the Issuer or any associated hedging transaction; and
- (iii) in the case of (d) above only, any redemption, repurchase, repayment, cancellation, reduction or other acquisition executed in whole or in part in the



form of a public tender offer or public exchange offer at a consideration per Capital Security or Parity Security below its par value;

"**EUR**" and/or euro means the lawful currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended;

"**EURIBOR**" means the month Euro Interbank Offered Rate;

"**Euronext Dublin**" has the meaning given to it in Condition 9(b) (*Cancellation of Capital Securities*);

"**Excluded Change**" means changes to the Swedish rules on tax deductibility of interest expenses that was introduced on 1 January 2019 following the Government Bill 2017/18:245 (*Nya skatteregler för företagssektorn*) that was adopted by Swedish Parliament on 14 June 2018;

"**Exercise Period**" means the period from the date on which the Change of Control Event occurred to the day which is the earlier of (a) 90 days after such date and (b) the last day on which holders of senior indebtedness of the Issuer, which have a right to put (a "**Put Option**") such senior indebtedness for redemption exercisable upon the occurrence of a Change of Control Event, and to the extent they have exercised such Put Option within any applicable put option redemption period (howsoever described), have received the redemption proceeds;

"**FATCA Withholding**" has the meaning given in Condition 10(c) (*Payments subject to Fiscal Laws*);

"**First Interest Payment Date**" has the meaning given to it in Condition 4(b) (*Interest Payment Dates*);

"**First Currency**" has the meaning given to it in Condition 19 (*Currency Indemnity*);

"**First Reset Date**" means 14 March 2026;

"**First Step-up Date**" means 14 March 2031;

"**Fiscal Agent**" has the meaning given in the preamble to these Conditions;

"**Fitch**" means Fitch Ratings Ltd;

"**Further Capital Securities**" has the meaning given to it in Condition 17 (*Further Issues*);

"**Group**" means the Issuer and its respective Subsidiaries taken as a whole;

"**Holders**" has the meaning given in the preamble to these Conditions;

"**IFRS**" means International Financial Reporting Standards, including International Accounting Standards and Interpretations, issued by the International Accounting Standards Board (as amended, supplemented or re-issued from time to time);

"**Initial Interest Rate**" has the meaning given in Condition 4(c) (*Interest – Initial Interest Rate*);

"**Interest Amount**" has the meaning given in Condition 4(e) (*Interest - Determination of Reset Interest Rates and Calculation of Interest Amounts*);

**"Interest Payment"** means, in respect of the payment of interest on an Interest Payment Date, the amount of interest payable on the presentation and surrender of the Coupon for the relevant Interest Period in accordance with Condition 4 (*Interest*);

**"Interest Payment Date"** has the meaning given in Condition 4(b) (*Interest Payment Dates*);

**"Interest Period"** means the period from (and including) the Issue Date to (but excluding) the first Interest Payment Date and each successive period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date;

**"Interest Rate"** means the Initial Interest Rate or the relevant Reset Interest Rate, as the case may be;

**"Investment Grade Rating Change"** means if any solicited rating previously assigned to the Senior Notes by any Rating Agency is changed from an investment grade rating (being at least Baa3 by Moody's, BBB- by Fitch or BBB- by S&P) to a non-investment grade rating (being Ba1 or lower by Moody's, or BB+ or lower by Fitch or BB+ or lower by S&P);

**"Issue Date"** has the meaning given in Condition 4(a) (*Interest Accrual*);

**"Issuer"** has the meaning given in the preamble to these Conditions;

**"Issuer Re-construction"** has the meaning given in Condition 3(a) (*Rights on a Winding-Up or Company Re-Construction*);

**"Issuer Winding-up"** has the meaning given in Condition 3(a) (*Rights on a Winding-Up or Company Re-Construction*);

**"Margin"** means:

- (a) in respect of the period from (and including) the First Reset Date to (but excluding) the First Step-up Date, 3.227 per cent.;
- (b) in respect of the period from (and including) the First Step-up Date to (but excluding) the Second Step-up Date, 3.477 per cent.; and
- (c) in respect of the period from (and including) the Second Step-up Date, 4.227 per cent.;

**"Moody's"** means Moody's Investors Service Ltd;

**"Negative Rating Event"** shall be deemed to have occurred if (i) the Issuer does not, prior to or not later than 21 days after the occurrence of the relevant Change of Control, seek, and thereafter throughout the Change of Control Period use all reasonable endeavours to obtain, a rating of the Senior Notes or (ii) if the Issuer does so seek and use all such reasonable endeavours, it is unable to obtain such rating of at least investment grade (*Baa3/BBB-/BBB- or equivalent or better*) by the end of the Change of Control Period and the relevant Rating Agency announces publicly or confirms in writing to the Issuer that the failure to issue a rating of at least investment grade (*Baa3/BBB-/BBB- or equivalent or better*) was as a result, directly or indirectly, of the Change of Control or the Potential Change of Control Announcement (whether or not the Change of Control had occurred at such time);

**"Ordinary Shares"** means ordinary shares in the capital of the Issuer, having on the Issue Date a minimum principal value of SEK 0.1 each;

**"Outstanding Preferences Shares"** means preference shares in the capital of the Issuer, having on the Issue Date a minimum principal value of SEK 0.1 each;

**"Parity Securities"** or **"Parity Security"** means any obligations of:

- (a) the Issuer, issued directly or indirectly by it, which rank, or are expressed to rank, *pari passu* with the Capital Securities (and which shall include, without limitation, for so long as any of the same remain outstanding, the:
  - (i) up to SEK1,000,000,000 Subordinated Perpetual Floating Rate Callable Capital Notes issued on 29 September 2017 (ISIN: SE0010414599);
  - (ii) up to SEK1,500,000,000 Subordinated Perpetual Floating Rate Callable Capital Notes issued on 13 September 2018 (ISIN: SE0011642776);
  - (iii) EUR300,000,000 Subordinated Fixed to Reset Rate 5.25 year Non-Call Undated Capital Securities issued on 26 April 2019 (ISIN: XS1974894138);
  - (iv) EUR500,000,000 Subordinated Fixed to Reset Rate Undated Capital Securities issued on 30 January 2020 (ISIN: XS2010032618); and
  - (v) up to SEK2,500,000,000 Subordinated Perpetual Floating Rate Callable Capital Notes issued on 28 October 2019 (ISIN: SE0013359148);
- (b) any Subsidiary of the Issuer having the benefit of a guarantee or support agreement from the Issuer which ranks or is expressed to rank *pari passu* with the Capital Securities;

**"Paying Agent"** has the meaning given in the preamble to these Conditions;

**"person"** means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organisation, limited liability company or government (or any agency or political subdivision thereof) or other entity;

**"Potential Change of Control Announcement"** means any public announcement or statement by the Issuer, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control where within 180 days of the date of such announcement or statement, a Change of Control occurs;

**"Qualifying Capital Securities"** means securities that contain terms not materially less favourable to Holders than the terms of the Capital Securities (as reasonably determined by the Issuer in consultation with an independent investment bank, independent financial adviser or legal counsel of international standing) and **provided that** a certification to such effect shall have been delivered to the Fiscal Agent prior to the substitution or variation of the Capital Securities, **provided that**:

- (a) they shall be issued by the Issuer or by any wholly-owned direct or indirect finance Subsidiary of the Issuer with a guarantee of the Issuer; and
- (b) they (and/or, as appropriate, the guarantee as aforesaid) shall rank *pari passu* on an Issuer Winding-up with the ranking of the Capital Securities; and
- (c) they shall contain terms which provide for the same interest rate from time to time applying to the Capital Securities and preserve the same Interest Payment Dates; and
- (d) they shall preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Capital Securities, including (without limitation) as to timing of, and amounts payable upon, such redemption; and

- (e) they shall preserve any existing rights under the Capital Securities to any accrued interest, any Deferred Interest and any other amounts payable under the Capital Securities which, in each case, has accrued to Holders and not been paid; and
- (f) they shall not contain terms providing for the mandatory deferral or cancellation of interest and shall not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares; and
- (g) they shall, immediately after such exchange or variation, be assigned at least the same credit rating(s) by the same Rating Agencies as may have been assigned to the Capital Securities immediately prior to such exchange or variation (if any); and
- (h) they shall otherwise contain substantially identical terms (as reasonably determined by the Issuer) to the Capital Securities, save where any modifications to such terms are required to be made to avoid the occurrence or effect of, a Tax Deductibility Event, a Capital Event, an Accounting Event or, as the case may be, a Withholding Tax Event; and
- (i) they shall be (A) listed on Euronext Dublin and admitted to trading on Euronext Dublin's regulated market or (B) admitted to trading on any other regulated market for the purposes of Directive 2014/65/EU (as amended) as selected by the Issuer on, or as soon as reasonably practicable after issue;

**"Rating Agency"** means each of Fitch, Moody's and S&P and any other rating agency (a **"Substitute Rating Agency"**) of equivalent international standing requested by the Issuer to grant a corporate credit rating to the Issuer and, in each case, their successors or affiliates;

**"Rating Downgrade"** shall be deemed to have occurred in respect of a Change of Control if on the Relevant Announcement Date, the Senior Notes carry:

- (a) an investment grade credit rating (*Baa3/BBB-/BBB-*, or equivalent, or better) (an **"Investment Grade Rating"**) from any Rating Agency (provided by such Rating Agency at the invitation or with the consent of the Issuer) and, within the Change of Control Period, any such Rating Agency downgrades its rating of the Senior Notes to a non-investment grade credit rating (*Ba1/BB+/BB+* or equivalent, or worse) or withdraws its rating and such rating is not within the Change of Control Period (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to an Investment Grade Rating by such Rating Agency; or
- (b) a non-investment grade credit rating (*Ba1/BB+/BB+* or equivalent or worse) from any Rating Agency (provided by such Rating Agency at the invitation or with the consent of the Issuer) and such rating of the Senior Notes from any Rating Agency is within the Change of Control Period downgraded by one or more notches (*for illustration, Ba1/BB+/BB+ to Ba2/BB/BB being one notch*) or withdrawn and is not within the Change of Control Period subsequently (in the case of a downgrade) upgraded or (in the case of a withdrawal) reinstated to its earlier credit rating or better by such Rating Agency; or
- (c) no credit rating from any Rating Agency and a Negative Rating Event also occurs within the Change of Control Period,

and in making the relevant decision(s) referred to above, the relevant Rating Agency announces publicly or confirms in writing to the Issuer that such downgrading and/or withdrawal resulted, directly or indirectly, from the Change of Control or the Potential Change of Control

Announcement (whether or not the Change of Control shall have occurred at the time such rating is downgraded and/or withdrawn).

If the rating designations employed by S&P, Moody's or Fitch are changed from those which are described in paragraphs (a) or (b) of the definition of "Rating Downgrade" above, or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine the rating designations of S&P, Moody's or Fitch or such Substitute Rating Agency (as appropriate) as are most equivalent to the prior rating designations of S&P, Moody's or Fitch and this definition shall be construed accordingly;

**"Relevant Announcement Date"** means the date that is the earlier of (1) the date of the earliest Potential Change of Control Announcement (if any) and (2) the date of the first public announcement of the relevant Change of Control;

**"Relevant Date"** means:

- (i) in respect of any payment other than a sum to be paid by the Issuer in an Issuer Winding-up, the date on which such payment first becomes due and payable but, if the full amount of the moneys payable on such date has not been duly received by the Fiscal Agent on or prior to such date, the Relevant Date means the date on which such moneys shall have been so received and notice to that effect shall have been given to the Holders by or on behalf of the Issuer in accordance with Condition 18 (*Notices*); and
- (ii) in respect of any sum to be paid by or on behalf of the Issuer in an Issuer Winding-up, the date which is one day prior to the date on which an order is made or a resolution is passed for such Issuer Winding-up;

**"Reset Date"** means the First Reset Date and each fifth anniversary thereof;

**"Reset Interest Determination Date"** means, with respect to a Reset Period, the day falling two Business Days prior to the Reset Date on which such Reset Period commences;

**"Reset Interest Rate"** has the meaning given in Condition 4(d) (*Interest – Reset Interest Rates*);

**"Reset Period"** means each period from (and including) a Reset Date to (but excluding) the next succeeding Reset Date thereafter;

**"Reset Reference Bank Rate"** means the percentage rate calculated by the Calculation Agent in accordance with these Conditions on the basis of the 5 year Swap Rate Quotations provided by the Reset Reference Banks to the Issuer and the Calculation Agent at approximately 11:00 a.m. (Central European Time) on the relevant Reset Interest Determination Date.

**"Reset Reference Banks"** means five major banks in the European Interbank market selected by the Issuer;

**"S&P"** means S&P Global Ratings Europe Limited;

**"Second Currency"** has the meaning given to it in Condition 19 (*Currency Indemnity*);

**"Second Step-up Date"** means 14 March 2046;

**"Senior Notes"** means the Issuer's long-term senior unsecured debt obligations;

**"Share Capital"** means any Outstanding Preferences Shares and any Ordinary Shares;

"**Special Event**" means any of a Tax Deductibility Event, a Substantial Repurchase Event, a Capital Event, a Withholding Tax Event, an Accounting Event or any combination of the foregoing;

"**Subordinated Indebtedness**" means any obligation of the Issuer, whether or not having a fixed maturity, which by its terms is, or is expressed to be, subordinated in the event of an Issuer Winding-up to the claims of all unsubordinated creditors of the Issuer but senior to the Capital Securities or to the obligations of the Issuer in respect of any Parity Securities;

"**Subsidiary**" has the meaning provided in the Swedish Companies Act (Sw. *aktiebolagslagen 2005:551*);

a "**Substantial Repurchase Event**" shall be deemed to occur if the Issuer and/or any of its Subsidiaries repurchases and cancels or has at any time repurchased and cancelled, a principal amount of Capital Securities equal to or greater than 80 per cent. of the aggregate principal amount of the Capital Securities initially issued (which shall include, for these purposes, any Further Capital Securities);

"**SEK**" means the lawful currency of Sweden;

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as **TARGET2**) payment system which utilises a single shared platform and which was launched on 19 November 2007 or any successor thereto;

"**Talons**" has the meaning given in the preamble to these Conditions;

"**Tax Deductibility Event**" means the receipt by the Issuer of an opinion of counsel in Sweden (experienced in such matters) to the effect that, as a result of a Tax Law Change (other than an Excluded Change), the Issuer is no longer able to claim a deduction to which it was entitled as at the Issue Date or at any time thereafter in respect of payments relating to the Capital Securities in computing its taxation liabilities for Swedish tax purposes (a "**Tax Deduction**") or the amount of any Tax Deduction is materially reduced and, in either case, in circumstances where unsubordinated debt obligations of the Issuer continue to be fully or partly tax deductible for such purposes;

"**Tax Law Change**" means (a) any amendment to, clarification of, or change in, the laws or treaties (or any regulations thereunder) of Sweden, or any political subdivision or any authority thereof or therein having the power to tax, affecting taxation, (b) any governmental action (c) or any amendment to, clarification of, or change in the application, official position or the interpretation of such law, treaty (or regulations thereunder) or governmental action or any interpretation, decision or pronouncement that provides for a position with respect to such law, treaty (or regulations thereunder) or governmental action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or regulatory body in Sweden, irrespective of the manner in which such amendment, clarification, change, action, pronouncement, interpretation or decision is made known, which amendment, clarification or change is effective or such governmental action, pronouncement, interpretation or decision is announced on or after the Issue Date;

"**Taxes**" has the meaning given in Condition 11 (*Taxation*); and

a "**Withholding Tax Event**" shall be deemed to occur if, as a result of any Tax Law Change, in making any payments on the Capital Securities, the Issuer has paid or will or would on the next Interest Payment Date be required to pay additional amounts on the Capital Securities pursuant to Condition 11 (*Taxation*) and the Issuer cannot avoid the foregoing by taking reasonable measures available to it.

The following text in italics does not form part of the Conditions:

*The Issuer intends (without thereby assuming any legal or contractual obligation whatsoever) that it will only redeem or repurchase Capital Securities to the extent that the equity credit of the Capital Securities to be redeemed or repurchased does not exceed the equity credit resulting from the sale or issuance prior to the date of such redemption or repurchase by the Issuer or any subsidiary of the Issuer of replacement hybrid securities to third party purchasers (other than subsidiaries of the Issuer).*

*The foregoing shall not apply if:*

- (a) *the rating (or such similar nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the rating assigned by S&P to the Issuer on the date of the last additional hybrid issuance (excluding refinancings) and the Issuer is of the view that such rating would not fall below this level as a result of such redemption or repurchase; or*
- (b) *the Capital Securities are not assigned any category of "equity content" (or such similar nomenclature then used by S&P) at the time of such redemption or repurchase; or*
- (c) *the Capital Securities are redeemed pursuant to Change of Control Event, Tax Deductibility Event, a Capital Event, a Substantial Repurchase Event, an Accounting Event or a Withholding Tax Event; or*
- (d) *less than (x) 10 per cent. of the aggregate principal amount of hybrid capital outstanding is repurchased pursuant to Condition 9(a) in any period of 12 consecutive months or (y) 25 per cent. of the aggregate principal amount of hybrid capital outstanding is repurchased in any period of 10 consecutive years; or*
- (e) *the relevant repurchase has followed an issuance of Ordinary Shares or other instruments which are granted on issuance high equity content where the amount of equity credit resulting from such issuance is equal to or more than the amount of equity credit assigned by S&P to the Capital Securities being repurchased at the time of their issuance; or*
- (f) *such replacement would cause the Issuer's outstanding hybrid capital which is assigned equity credit by S&P to exceed the maximum aggregate principal amount of hybrid capital which S&P, under its then prevailing methodology, would assign equity credit to, based on the Issuer's adjusted total capitalisation; or*
- (g) *if such redemption or repurchase occurs on or after the Second Step-up Date.*

*For the avoidance of doubt, the Issuer wishes to clarify that at any time, including during the period up to the fifth anniversary of the Issue Date, the Issuer shall not be required to replace the Capital Securities if paragraph (c), (e) or (f) above applies.*

*For the purposes of the foregoing, "equity credit" (or such similar nomenclature then used by S&P) describes:*

- (i) *the part of the nominal amount of the Capital Securities that was assigned equity credit by S&P at the time of their issuance; and*
- (ii) *the part of the net proceeds received from issuance of replacement hybrid securities or Ordinary Shares that was assigned equity credit by S&P at the time of their sale or issuance (or the equity credit S&P has confirmed will be assigned by it upon expiry or waiver of issuer call rights which prevent the assignment of equity credit by S&P on the issue date of such replacement hybrid securities).*

## SUMMARY OF PROVISIONS RELATING TO THE CAPITAL SECURITIES IN GLOBAL FORM

### Global Capital Securities and Definitive Capital Securities

The Capital Securities will initially be represented by a temporary global capital security (the "**Temporary Global Capital Security**") which will be deposited on or around the Issue Date with a common depository for Euroclear and Clearstream, Luxembourg.

The Temporary Global Capital Security will be exchangeable in whole or in part for interests in a permanent global capital security (the "**Permanent Global Capital Security**" and, together with the Temporary Global Capital Security, the "**Global Capital Securities**") not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Capital Security unless exchange for interests in the Permanent Global Capital Security is improperly withheld or refused. In addition, interest payments in respect of the Capital Securities while they are represented by the Temporary Global Capital Security cannot be collected without such certification of non-U.S. beneficial ownership.

The Permanent Global Capital Security will become exchangeable in whole, but not in part, for Capital Securities in definitive form (the "**Definitive Capital Securities**") in the denominations of EUR100,000 and integral multiples of EUR1,000 in excess thereof up to and including EUR 199,000 at the request of the bearer of the Permanent Global Capital Security against presentation and surrender of the Permanent Global Capital Security to the Fiscal Agent if either of the following events (each, an "**Exchange Event**") occurs: (a) Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 12 (*Default and Enforcement*) occurs.

So long as the Capital Securities are represented by a Temporary Global Capital Security or a Permanent Global Capital Security and the relevant clearing system(s) so permit, the Capital Securities will be tradeable only in the minimum authorised denomination of EUR100,000 and higher integral multiples of EUR1,000, notwithstanding that no Definitive Capital Securities will be issued with a denomination above EUR 199,000.

Whenever the Permanent Global Capital Security is to be exchanged for Definitive Capital Securities, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Capital Securities, duly authenticated and with Coupons (and, if applicable a Talon) attached, in an aggregate principal amount equal to the principal amount of the Permanent Global Capital Security to the bearer of the Permanent Global Capital Security against the surrender of the Permanent Global Capital Security to or to the order of the Fiscal Agent within 30 days of the occurrence of the relevant Exchange Event.

### Modifications to the terms of the Capital Securities whilst in global form

In addition, the Temporary Global Capital Security and the Permanent Global Capital Security will contain provisions which modify the Conditions as they apply to the Capital Securities for so long as they are represented by the Temporary Global Capital Security and/or the Permanent Global Capital Security. The following is a summary of certain of those provisions:

#### *Payments*

All payments in respect of the Temporary Global Capital Security and the Permanent Global Capital Security will be made to, or to the order of, the bearer of the same against presentation and (in the case of payment of principal in full with all Deferred Interest and any other interest accrued thereon) surrender of the Temporary Global Capital Security or (as the case may be) the Permanent Global Capital Security to or to the order of any Fiscal Agent, and each payment so made will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the relevant amount so paid on the Capital Securities.

A record of each payment made will be endorsed on the appropriate part of the schedule to the relevant Global Capital Security by or on behalf of the Fiscal Agent, which endorsement shall be *prima facie* evidence that such payment has been made in respect of the Capital Securities.



### *Calculation of interest*

For so long as all of the Capital Securities are represented by the Temporary Global Capital Security and/or the Permanent Global Capital Security (as the case may be), interest shall be calculated in respect of the entire principal amount of Capital Securities represented by the Temporary Global Capital Security and/or the Permanent Global Capital Security (as the case may be) and not per Calculation Amount as provided in Condition 4(a) (*Interest Accrual*).

### *Transfers*

Transfers of book-entry interests in the Capital Securities will be effected through the records of Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants in accordance with their respective rules and procedures.

### *Redemption and cancellation*

Any redemption or purchase and cancellation of any Capital Securities will be effected by a corresponding reduction in the nominal amount of the Temporary Global Capital Security or Permanent Global Capital Security representing such Capital Securities.

### *Notices*

For so long as all of the Capital Securities are represented by the Temporary Global Capital Security and/or the Permanent Global Capital Security (as the case may be) and the same are deposited with a common depositary for Euroclear and Clearstream, Luxembourg, notices to Holders may be given, in lieu of publication as provided in Condition 18 (*Notices*), by delivery of the relevant notice to Euroclear and Clearstream, Luxembourg for onwards transmission to the Holders and, in any case, such notice shall be deemed to have been given to the Holders in accordance with Condition 18 (*Notices*) on the date of delivery of the notice to Euroclear and Clearstream, Luxembourg.

For so long as such Capital Securities are admitted to listing and/or trading on any market or stock exchange, notice shall also be given in such manner as may be required or permitted by the rules of such market or stock exchange.

## **USE OF PROCEEDS**

The net proceeds of the issue of the Capital Securities will be used by the Issuer for general corporate purposes (including redemption of existing secured indebtedness, investments, acquisitions and development projects).

## DESCRIPTION OF THE ISSUER AND ITS OPERATIONS

Prospective investors should have regard to the description of the Issuer and its Operations described under the sections headed:

- (a) *"Description of SBB and its Operations"* on pages 81 to 97 of the Base Prospectus; and
- (b) *"Amendments to "Description of SBB and its Operations" Section"* on pages 6 to 9 of the December Supplement,

which are incorporated by reference into this Listing Particulars.

On 9 December 2020, SBB announced that it had withdrawn the Offer for Entra (each as defined in the December Supplement) during the course of its due diligence process.

## OWNERSHIP STRUCTURE OF SBB

Prospective investors should have regard to the description of the ownership structure of SBB described under the sections headed:

- (a) *"Ownership Structure of SBB"* on page 98 to 103 of the Base Prospectus; and
  - (b) *"Amendments to "Ownership Structure of SBB" Section"* on page 10 of the December Supplement,
- which are incorporated by reference into this Listing Particulars.

## PRO FORMA FINANCIAL STATEMENTS

Prospective investors should have regard to the description of the pro forma financial statements described under the sections headed:

- (a) "*Pro Forma Financial Statements*" on pages 12 to 24 of the December Supplement; and
- (b) "*New Appendices*" on page 25 onwards of the December Supplement,

which are incorporated by reference into this Listing Particulars.

## TAXATION

### **Certain Swedish tax considerations**

The following is a general description of certain Swedish tax consequences relating to the acquisition, ownership and disposal of Capital Securities (i.e. perpetual securities in respect of which there is no fixed redemption date). The summary is based on Swedish tax legislation currently in effect and is only intended to provide general information. Consequently, the summary is not exhaustive and does not address all potential aspects of Swedish taxation that may be relevant for a prospective purchaser of Capital Securities and the summary is neither intended nor should be construed as legal or tax advice. The summary does for example not cover (i) Capital Securities held as current assets in a business operation, (ii) Capital Securities held via a capital insurance policy (Sw. *kapitalförsäkring*), (iii) Capital Securities held on an investment savings account (Sw. *investeringssparkonto*), or (iv) taxation of foreign exchange gains and losses in connection with an investment in the Capital Securities. Special tax rules apply to certain categories of taxpayers, such as investment companies and insurance companies. These rules are not described in this summary.

Also, the summary does not cover the rules on reporting obligations for, among others, payers of interest.

Since the tax treatment of each Holder depends on the Holder's particular circumstances, each prospective purchaser of Capital Securities should consult a tax adviser regarding the specific tax consequences that may arise in the individual case, including the applicability and effect of foreign tax rules and tax treaties.

### ***Resident Holders of Capital Securities***

As used herein, a resident Holder means a Holder of Capital Securities who is (a) an individual who is a resident in Sweden for tax purposes, or (b) an entity organised under the laws of Sweden or which is otherwise resident in Sweden for tax purposes.

Generally, for Swedish companies and individuals (and estates of deceased individuals) that are resident Holders of Capital Securities, all income on Capital Securities (for example income that is considered as interest for Swedish tax purposes and capital gains on Capital Securities) will be taxable. For companies the tax rate is currently 21.4 per cent and for individuals the tax rate is 30 per cent. Capital losses on listed Capital Securities are fully deductible, for individuals however, only against taxable income in the capital income category. Should a net loss arise in this income category, a reduction is granted of the tax on income from employment and business operations as well as property tax. This tax reduction is 30 percent of the net loss that does not exceed SEK 100 000 and 21 percent of any remaining net loss. A net loss cannot be carried forward to future tax years.

Swedish preliminary tax may be withheld at a rate of 30 per cent in relation to payments of amounts on the Capital Securities that are considered as interest for Swedish tax purposes to resident Holders that are individuals (or estates of deceased individuals). Otherwise, no Swedish preliminary tax should be withheld in relation to payments on the Capital Securities.

### ***Non-resident Holders of Capital Securities***

As used herein, a non-resident Holder means a Holder of Capital Securities who is (a) an individual who is not resident in Sweden for tax purposes, or (b) an entity not organised under the laws of Sweden and which is not otherwise resident in Sweden for tax purposes.

Payments of principal, premium or interest in respect of the Capital Securities to a non-resident Holder of Capital Securities should not be subject to Swedish income tax provided that such Holder does not have a permanent establishment in Sweden to which the Capital Securities are effectively connected. Also, no Swedish withholding tax should be levied on payments of principal, premium or interest in respect of the Capital Securities to a non-resident Holder of Capital Securities.

The Holders may, however, be subject to tax in the country where they are resident for tax purposes.

### **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 shall not participate.

The Commission's Proposal has a very broad scope and could, if introduced, apply to certain dealings in the Capital Securities (including secondary market transactions) in certain circumstances. The issuance and subscription of Capital Securities should, however, 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 Capital Securities 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 participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EEA member states may decide to participate and certain of the participating Member States may decide to withdraw.

Prospective holders of the Capital Securities are advised to seek their own professional advice in relation to the FTT.

## SUBSCRIPTION AND SALE

BNP Paribas, Citigroup Global Markets Limited, Deutsche Bank Aktiengesellschaft, DNB Bank ASA, Goldman Sachs International, Morgan Stanley & Co. International plc and Nordea Bank Abp have, pursuant to a Subscription Agreement (the "**Subscription Agreement**") dated 10 December 2020, jointly and severally agreed to subscribe or procure subscribers for the Capital Securities at the issue price of 99.404 per cent. of the principal amount of Capital Securities. The Issuer has agreed to pay the Joint Bookrunners a combined management and underwriting commission, will reimburse the Joint Bookrunners in respect of certain of their expenses, and has also agreed to indemnify the Joint Bookrunners against certain liabilities, incurred in connection with the issue of the Capital Securities. The Subscription Agreement provides that the obligations of the Joint Bookrunners to subscribe for Capital Securities may be subject to certain conditions precedent, including (among other things) receipt of legal opinions from counsel. The Subscription Agreement may be terminated in certain circumstances prior to payment of the Issuer.

### United States

The Capital Securities have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act.

The Capital Securities 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 United States 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, as amended, and regulations thereunder.

Each Joint Bookrunner has represented and agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Capital Securities (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the Issue Date within the United States or to, or for the account or benefit of, U.S. persons and that it will have sent to each dealer to which it sells any Capital Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Capital Securities 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.

In addition, until 40 days after the commencement of the offering, an offer or sale of Capital Securities within the United States by any dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

### Prohibition of sales to EEA and UK Retail Investors

Each Joint Bookrunner has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Capital Securities to any retail investor in the EEA or in the UK. For the purposes of this provision 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 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.

### United Kingdom

Each Joint Bookrunner has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Capital Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and



- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Capital Securities in, from or otherwise involving the United Kingdom.

### **The Kingdom of Sweden**

This document has not been approved by or registered with the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) pursuant to the Prospectus Regulation. Each Joint Bookrunner agrees that it will not market or offer the Capital Securities in Sweden other than in circumstances that are deemed not to be an offer to the public in Sweden which would result in a requirement to prepare a prospectus in Sweden under the Prospectus Regulation.

### **Singapore**

Each Joint Bookrunner has acknowledged that these Listing Particulars have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Bookrunner has represented, warranted and agreed that it has not offered or sold any Capital Securities or caused the Capital Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Capital Securities or cause the Capital Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, these Listing Particulars or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Capital Securities, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) 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 the Capital Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (i) 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
- (ii) 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 Capital Securities pursuant to an offer made under Section 275 of the SFA except:

- (a) 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, and further for corporations, in accordance with the conditions specified in section 275 of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law;
- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

### **General**

No action has been taken by the Issuer or any of the Joint Bookrunners that would, or is intended to, permit a public offer of the Capital Securities in any country or jurisdiction where any such action for that purpose is required. Accordingly, each Joint Bookrunner has undertaken that it will not, directly or indirectly, offer or sell any Capital Securities or distribute or publish any Listing Particulars, prospectus, form of application,

advertisement or other document or information in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Capital Securities by it will be made on the same terms.

## GENERAL INFORMATION

### Authorisation

The issue of the Capital Securities was authorised by a resolution of the Board of the Issuer passed on 6 December 2020.

### Listing

Application has been made to Euronext Dublin for the Capital Securities to be admitted to the Official List and to trading on the GEM; however, no assurance can be given that such application will be accepted. It is expected that admission of the Capital Securities to the official list and to trading on the GEM will be granted on or about 14 December 2020, subject only to the issue of the Capital Securities.

The total expenses related to the admission to trading of the Capital Securities are expected to be approximately EUR 5,500.

### Listing Agent

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Capital Securities and is not itself seeking admission of the Capital Securities to the Official List or to trading on the GEM.

### Clearing Systems

The Capital Securities have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The ISIN for this issue is XS2272358024 and the Common Code is 227235802. The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

### No significant change

There has been no significant change in the financial or trading position of the Issuer or the Group since 30 September 2020 and there has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2019.

### Litigation

There are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer is aware), which may have, or have had during the 12 months prior to the date of these Listing Particulars, a significant effect on the financial position or profitability of the Issuer or the Group.

### Auditors

Ernst & Young AB of Box 7850, SE-103 99 Stockholm, Kingdom of Sweden, regulated by the Supervisory Board of Accountants in the Kingdom of Sweden (*Revisorsnämnden*) and a member of FAR (the institute for the accountancy profession in the Kingdom of Sweden (*Föreningen Auktoriserade Revisorer*)) have audited without qualification and in accordance with generally accepted auditing standards in the Kingdom of Sweden, the consolidated financial statements of the Issuer, prepared in accordance with IFRS, for each of the financial years ended on 31 December 2019 and 2018 and have given, and have not withdrawn, their consent to the inclusion of their unqualified audit reports in these Listing Particulars in the form and context in which it is included. The auditors of the Issuer have no material interest in the Issuer.

### U.S. tax

The Capital Securities (other than the Temporary Global Capital Security) and Coupons will contain the following legend: 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.

## **Documents Available**

For as long as the Capital Securities are listed on the Official List and admitted to trading on the GEM, copies of the following documents will be available for inspection in electronic form from the registered office of the Issuer and from the specified office of the Fiscal Agent for the time being in London:

- (a) the constitutional documents of the Issuer (with an English translation thereof);
- (b) the audited consolidated financial statements of the Issuer in respect of the financial year ended 31 December 2019, together with the auditors' report in connection therewith, and the audited consolidated financial statements of the Issuer in respect of the financial year ended 31 December 2018, together with the auditors' report in connection therewith. The Issuer currently prepares audited consolidated accounts on an annual basis;
- (c) the most recently published financial statements of the Issuer, together with any audit or review reports prepared in connection therewith. The Issuer currently prepares unaudited consolidated interim accounts on a quarterly basis; and
- (d) the Agency Agreement.

## **Websites**

For the avoidance of doubt, the content of any website referred to in these Listing Particulars does not form part of these Listing Particulars.

## **Joint Bookrunners transacting with the Issuer**

In the ordinary course of their business activities the Joint Bookrunners 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 or Issuer's affiliates. The Joint Bookrunners or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Joint Bookrunners 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 Capital Securities. Any such short positions could adversely affect future trading prices of Capital Securities. The Joint Bookrunners 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.

## **Yield**

On the basis of the issue price of the Capital Securities of 99.404 per cent. of their principal amount, the yield on the Capital Securities for the period until the First Reset Date is 2.750 per cent. on an annual basis.

The yield is calculated on the Issue Date on the basis of the issue price of the Capital Securities. It is not an indication of future yield.

## **Interests of natural and legal persons involved in the issue of the Capital Securities**

Save for the commissions described under "*Subscription and Sale*", so far as the Issuer is aware, no person involved in the issue of the Capital Securities has an interest material to the offer.

## **THE ISSUER**

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