

LÄNSFÖRSÄKRINGAR BANK AB (publ)

(incorporated with limited liability in Sweden under corporate registration number 516401-9878)

EUR 4,000,000,000

Euro Medium Term Note Programme

Due from One month from the date of original issue

Under the Euro Medium Term Note Programme described in this Base Prospectus (the **Programme**), Länsförsäkringar Bank AB (publ) (the **Issuer** or the **Bank**), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the **Notes**). Under the Programme, Notes may be (i) senior preferred notes with the ranking described in Condition 3(a) of the Terms and Conditions of the Notes (the **Senior Preferred Notes**), (ii) senior non-preferred notes with the ranking described in Condition 3(b) of the Terms and Conditions of the Notes (the **Senior Non-Preferred Notes**) or (iii) subordinated notes with the ranking described in Condition 3(c) of the Terms and Conditions of the Notes (the **Subordinated Notes**). The aggregate nominal amount of Notes outstanding will not at any time exceed €4,000,000,000 (or the equivalent in other currencies).

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

This Base Prospectus has been approved as a base prospectus by the *Commission de Surveillance du Secteur Financier* (the **CSSF**) as competent authority under Regulation (EU) 2017/1129 (the **Prospectus Regulation**). The CSSF only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuer or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. The CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer in accordance with Article 6(4) of the Luxembourg Act dated 16 July 2019 on prospectuses for securities. Application has been made to the Luxembourg Stock Exchange for the Notes to be listed on the official list and traded on the Regulated Market of the Luxembourg Stock Exchange.

In relation to Notes which are admitted to trading on a regulated market in the European Economic Area (the **EEA**), this Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for a period of one year from the date hereof. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid and the validity of this Base Prospectus will expire on 30 March 2022.

References in this Base Prospectus to Notes being **listed** (and all related references) shall mean that such Notes have been admitted to trading on the Luxembourg Stock Exchange's regulated market and have been admitted to the official list of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's Regulated Market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU). The requirement to publish a prospectus under the Prospectus Regulation only applies to Notes which are to be admitted to trading on a regulated market in the EEA and/or offered to the public in the EEA other than in circumstances where an exemption is available under Article 1(4) and/or 3(2) of the Prospectus Regulation. The requirement to publish a prospectus under the Financial Services and Markets Act 2000 (the **FSMA**) only applies to Notes which are admitted to trading on a UK regulated market as defined in Regulation (EU) No 600/2014 on markets in financial instruments as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**) (**UK MiFIR**) and/or offered to the public in the United Kingdom other than in circumstances where an exemption is available under section 86 of the FSMA.

References in this Base Prospectus to **Exempt Notes** are to Notes for which no prospectus is required to be published under the Prospectus Regulation and the FSMA. The CSSF has neither approved nor reviewed information contained in this Base Prospectus in connection with Exempt Notes.

Each Series (as defined in "Overview of the Programme") of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a **temporary Global Note**) or a permanent global note in bearer form (each a **permanent Global Note**). Notes in registered form will be represented by registered certificates (each a **Certificate**), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Global Notes and Certificates may (or in the case of Notes listed on the Luxembourg Stock Exchange will) be deposited on the issue date with a common depositary or, as the case may be, a common safekeeper on behalf of Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**). The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in "Overview of Provisions Relating to the Notes while in Global Form".

Tranches of Notes (as defined in "Overview of the Programme") may be rated or unrated. Where a Tranche of Notes is rated, such rating will be specified in the relevant Final Terms (or Pricing Supplement, in the case of Exempt Notes). It is expected that the Senior Preferred Notes will be rated A by S&P Global Ratings Europe Limited, Sucursal En España (**S&P**) and A1 by Moody's Investors Service (Nordics) AB (**Moody's**). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. See "Overview of the Programme" for the meanings of the ratings set out above. Both S&P and Moody's are established in the EEA and registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). As such, each of S&P and Moody's 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. Neither S&P nor Moody's is established in the United Kingdom and, accordingly, any ratings assigned to the Notes by Moody's and/or S&P will be endorsed by S&P Global Ratings UK Limited and Moody's Investors Service Limited, respectively, in accordance with Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA (the **UK CRA Regulation**) for use in the United Kingdom. Each of S&P Global Ratings UK Limited and Moody's Investors Service Limited is established in the United Kingdom and registered in accordance with the UK CRA Regulation.

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche of Notes will (other than in the case of Exempt Notes, as defined above) be set out in a final terms document (the **Final Terms**) which will be filed with the CSSF. Copies of Final Terms in relation to Notes to be listed on the Luxembourg Stock Exchange will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu). In the case of Exempt Notes, notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche will be set out in a pricing supplement document (the **Pricing Supplement**).

Arranger

UBS Investment Bank

Dealers

Credit Suisse
NatWest Markets
SEB

UBS Investment Bank

Danske Bank
Nordea
Swedbank

IMPORTANT INFORMATION

This Base Prospectus comprises a base prospectus in respect of all Notes other than Exempt Notes issued under the Programme for the purposes of Article 8 of the Prospectus Regulation. **Prospectus Regulation** means Regulation (EU) 2017/1129.

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms or, in the case of Exempt Notes, the Pricing Supplement for each Tranche of Notes issued under the Programme. 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 this Base Prospectus is in accordance with the facts and makes no omission likely to affect its import.

This Base Prospectus is to be read in conjunction with all documents which are incorporated herein by reference (see “*Documents Incorporated by Reference*” below).

Other than in relation to the documents which are deemed to be incorporated by reference (see “*Documents Incorporated by Reference*” below), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the CSSF.

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes 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 Dealers or the Arranger (as defined in “*Overview of the Programme*”). Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Issuer and its subsidiaries and affiliates taken as a whole (the **Bank Group**) since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Bank Group since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see “*Subscription and Sale*”.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

The Arranger and the Dealers have not separately verified the information contained in this Base Prospectus. None of the Dealers or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Base Prospectus. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Prospective investors should have regard to the factors described under the section headed “*Risk Factors*” in this Base Prospectus. The Base Prospectus does not describe all of the risks of an investment in the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer or the Bank Group during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

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

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

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

In this document, unless otherwise specified or the context otherwise requires, all references to **U.S. dollars**, **U.S.\$** and **dollars** are to the lawful currency of the United States of America, references to **euro**, **EUR** and **€** refer to the 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, references to **Sterling** and **£** are to the lawful currency of the United Kingdom, and references to **Swedish Kronor**, **Kronor**, **Swedish Krona**, **Krona** or **SEK** are to the lawful currency of the Kingdom of Sweden.

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

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

Amounts payable on Floating Rate Notes and Fixed Reset Notes may, if so specified in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes), be calculated by reference to one of LIBOR, EURIBOR, STIBOR, NIBOR, HKD-HIBOR, AUD-BBR-BBSW or CDOR. As at the date of this Base Prospectus, European Money Markets Institute (as administrator of EURIBOR), Norske

Finansielle Referanser AS (as administrator of NIBOR) and ASX Benchmarks Limited (as administrator of AUD-BBR-BBSW) are included in ESMA's register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the **Benchmarks Regulation**). As at the date of this Base Prospectus, the administrators of LIBOR, CDOR, STIBOR or HKD-HIBOR are not included in ESMA's register of administrators under the Benchmarks Regulation. As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that none of ICE Benchmark Administration Limited (as administrator of LIBOR), Refinitiv Benchmark Services (UK) Limited (as administrator of CDOR), the Swedish Financial Benchmark Facility (as administrator of STIBOR) and Treasury Markets Association (as administrator of HKD-HIBOR), is currently required to obtain authorisation or registration (or, if located outside the European Union (**EU**), recognition, endorsement or equivalence).

MI FID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Notes, or in the case of Exempt Notes, the Pricing Supplement, may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to MiFID II (as defined below) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Notes, or in the case of Exempt Notes, the Pricing Supplement, may include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the **UK MiFIR Product Governance Rules**, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

NOTIFICATION UNDER SECTION 309B(1)(c) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (the **SFA**) – Unless otherwise stated in the Final Terms (or Pricing Supplement, in the case of Exempt Notes) in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) 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).

IMPORTANT – EEA RETAIL INVESTORS

If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the **EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation

(EU) 2017/1129 (the **Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – UK RETAIL INVESTORS

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

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Overview of the Programme

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the relevant Final Terms (or, in the case of Exempt Notes, the relevant Pricing Supplement). The Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of Notes other than Exempt Notes and, if appropriate, a supplement to the Base Prospectus or a new Base Prospectus will be published.

This Overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No 2019/980 (the **Delegated Regulation**).

Issuer: Länsförsäkringar Bank AB (publ)

Issuer Legal Entity Identifier (LEI): 549300C6TUMDXNOVXS82

Risk Factors: There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme. As set out under "*Risk Factors*" above, these risks include credit risks resulting from the Issuer's lending activities; currency risks (which arise as the Issuer currently lends in Swedish Kronor but may fund itself in foreign currencies); risks relating to the Issuer's dependence on the ability to refinance borrowings on their maturity; the risk of incurring losses due to deficiencies or errors in internal processes and control routines, human errors or external events that affect operations; risks relating to regulatory supervision of the Issuer's business; and risks relating to competition within the Swedish banking sector.

In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under "*Risk Factors*" and include certain risks relating to the structure of particular Series of Notes; and certain market risks.

Description: Euro Medium Term Note Programme

Size: Up to EUR 4,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.

Arranger: UBS Europe SE

Dealers: Credit Suisse Securities Sociedad de Valores S.A.
Danske Bank A/S
NatWest Markets N.V.
Nordea Bank Abp
Skandinaviska Enskilda Banken AB (publ)
Swedbank AB (publ)
UBS Europe SE

The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to **Permanent Dealers** are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated)

and to **Dealers** are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.

Trustee: Citicorp Trustee Company Limited

Issuing and Paying Agent: Citibank, N.A., London Branch

Method of Issue: The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a **Series**) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a **Tranche**) on the same or different issue dates. The specific terms of each Tranche will be completed in the final terms (the **Final Terms**) or, in the case of Exempt Notes, the pricing supplement (the **Pricing Supplement**).

Issue Price: Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. The Issue Price will be specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement.

Form of Notes: The Notes may be issued in bearer form only (**Bearer Notes**), in bearer form exchangeable for Registered Notes (**Exchangeable Bearer Notes**) or in registered form only (**Registered Notes**). Each Tranche of Bearer Notes and Exchangeable Bearer Notes will be represented on issue by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in “*Overview of the Programme – Selling Restrictions*”), otherwise such Tranche will be represented by a permanent Global Note.

Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems or in the name of a nominee of the common safekeeper, as the case may be, are referred to as **Global Certificates**.

Clearing Systems: Clearstream, Luxembourg, Euroclear and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Issuing and Paying Agent, the Trustee and the relevant Dealer.

Initial Delivery of Notes: On or before the issue date for each Tranche, the Global Note representing Bearer Notes or Exchangeable Bearer Notes or the Certificate representing Registered Notes may (or, in the case of Notes listed on the Luxembourg Stock Exchange, shall) be deposited with a common depositary or, as the case may be, a common safekeeper for Euroclear and Clearstream, Luxembourg. Global Notes or Certificates relating to Notes that are not listed on the Luxembourg Stock Exchange may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Issuing and Paying Agent, the Trustee and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems or common safekeeper, as the case may be.

Currencies:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers.
Maturities:	Subject to compliance with all relevant laws, regulations and directives, any maturity from one month from the date of original issue. According to the Prospectus Regulation, the CSSF is not competent to approve prospectuses for the admission to trading of money market instruments having a maturity at issue of less than 12 months and complying also with the definition of securities stated therein.
Denomination:	Notes will be in such denominations as may be specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement, save that (i) the minimum denomination of Notes (other than in the case of Exempt Notes) shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes); and (ii) unless otherwise permitted by then current laws and regulations, Notes which have a maturity of less than one year from their date of issue will have a minimum denomination of £100,000 (or its equivalent in other currencies).
Fixed Rate Notes:	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement.
Fixed Reset Notes:	Fixed Reset Notes will, in respect of an initial period, bear interest at the initial fixed rate of interest specified in the relevant Final Terms (or, in the case of Exempt Notes, the relevant Pricing Supplement). Thereafter, the fixed rate of interest will be reset on one or more date(s) specified in the relevant Final Terms (or, in the case of Exempt Notes, relevant Pricing Supplement) by reference to a mid-market swap rate for the relevant Specified Currency, and for a period equal to the reset period, as adjusted for any applicable margin, in each case as may be specified in the relevant Final Terms (or, in the case of Exempt Notes, the relevant Pricing Supplement).
Floating Rate Notes:	<p>Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none">(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.; or(ii) by reference to LIBOR, EURIBOR, STIBOR, NIBOR, HKD-HIBOR, AUD-BBR-BBSW or CDOR (or such other benchmark as may be specified in the relevant Final Terms (or, in the case of Exempt Notes, the relevant Pricing Supplement)) as adjusted for any applicable margin. <p>Interest periods will be specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement.</p>
Zero Coupon Notes:	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
Exempt Notes:	The Issuer may agree with any Dealer that Exempt Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event the relevant provisions will be included in the applicable Pricing Supplement.

Benchmark Discontinuation	In the case of Floating Rate Notes or Fixed Reset Notes, if a Benchmark Event occurs, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which, an Alternative Rate and, in either case, the applicable Adjustment Spread and any Benchmark Amendments, as further described in Condition 5(l).
Interest Periods and Interest Rates:	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period.
Redemption:	The relevant Final Terms (or, in the case of Exempt Notes, the relevant Pricing Supplement) will specify the basis for calculating the redemption amounts payable which for Notes other than Zero Coupon Notes will be at 100 per cent. of their nominal amount. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
Status of Notes:	<p><i>Senior Preferred Notes</i></p> <p>Senior Preferred Notes will constitute unsubordinated and unsecured obligations of the Issuer and the claims of holders of the Senior Preferred Notes shall, in the event of the voluntary or involuntary liquidation (Sw: <i>likvidation</i>) or bankruptcy (Sw: <i>konkurs</i>) of the Issuer, rank as described in Condition 3(a) in relation to the claims of other creditors.</p> <p><i>Senior Non-Preferred Notes</i></p> <p>Senior Non-Preferred Notes will constitute unsubordinated and unsecured obligations of the Issuer and the claims of holders of the Senior Non-Preferred Notes shall, in the event of the voluntary or involuntary liquidation (Sw: <i>likvidation</i>) or bankruptcy (Sw: <i>konkurs</i>) of the Issuer, rank as described in Condition 3(b) in relation to the claims of other creditors.</p> <p><i>Subordinated Notes</i></p> <p>Subordinated Notes will constitute subordinated obligations of the Issuer. Payments in respect of the Subordinated Notes will be subordinated as described in Condition 3(c).</p>
Negative Pledge:	None.
Cross Default:	Applicable to Senior Preferred Notes only. See “ <i>Terms and Conditions of the Notes-Events of Default</i> ”.
Early Redemption:	<p>Early redemption of any Notes will be permitted:</p> <p>(i) at the option of the Issuer, for taxation reasons as described in Condition 6(c);</p>

- (ii) following an Event of Default as described in Condition 10;
- (iii) in the case of Subordinated Notes, where “Redemption upon occurrence of Capital Event” is specified to be applicable in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement), at the option of the Issuer upon the occurrence of a Capital Event as described in Condition 6(h);
- (iv) in the case of Senior Preferred Notes or Senior Non-Preferred Notes, where “Eligible Liabilities Event Redemption” is specified to be applicable in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement), at the option of the Issuer upon the occurrence of an Eligible Liabilities Event in respect of Senior Preferred Notes or Senior Non-Preferred Notes as described in Condition 6(i);

but will otherwise be permitted only to the extent specified in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement).

Notes may be redeemed prior to their original maturity date only with the prior consent of the Relevant Regulator (as defined in Condition 6(j)) (if such consent is required (in the case of Subordinated Notes) by the Applicable Banking Regulations or (in the case of Senior Preferred Notes and Senior Non-Preferred Notes) the Applicable MREL Regulations).

Withholding Tax:

All payments of principal and interest will be made free and clear of and without withholding or deduction for any taxes of the Kingdom of Sweden unless the withholding or deduction is required by law. In that event, the Issuer will (subject to the exceptions set out in “*Terms and Conditions of the Notes – Taxation*”) pay (in respect of payments of interest only) such additional amounts as will result in the holders of Notes or Coupons receiving such amounts as they would have received in respect of such Notes or Coupons had no such withholding or deduction been required.

Governing Law:

English, except that Condition 3 of the Terms and Conditions of the Notes will be governed by, and construed in accordance with, the laws of the Kingdom of Sweden.

Listing and Admission to Trading:

Application has been made for Notes other than Exempt Notes issued under the Programme to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange or as otherwise specified in the relevant Final Terms. As specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement, a Series of Notes may be unlisted.

Ratings:

Tranches of Notes may be rated or unrated. Where a Tranche of Notes is rated, such rating will be specified in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement. It is expected that Senior Preferred Notes will be rated A by S&P and A1 by Moody's. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

As defined by S&P, an obligation rated **A** is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

As defined by Moody's, an obligation rated **A** is considered upper-medium grade and is subject to low credit risk. Numerical modifier 1 indicates a ranking in the higher end of that generic **A** rating category.

Each of S&P and Moody's is established in the EEA and registered under the CRA Regulation. As such, each of S&P and Moody's is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.

Selling Restrictions:

United States, the EEA, the United Kingdom, Japan, Singapore and Belgium. See "*Subscription and Sale*".

The Issuer is Category 2 for the purposes of Regulation S under the United States Securities Act of 1933, as amended.

The Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the **D Rules**) unless (i) the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the **C Rules**) or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 (**TEFRA**), which circumstances will be referred to in the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement as a transaction to which TEFRA is not applicable.

Risk Factors

In this section, material risk factors are illustrated and discussed, including economic and market risks, risks relating to the Issuer's operations and business, finance risks and legal and regulatory risks, as well as risks related to the Notes generally, risks related to the structure of a particular issue of Notes, risks related to the market and risks applicable to Senior Preferred Notes, Senior Non-Preferred Notes and Subordinated Notes. The Issuer's assessment of the materiality of each risk factor is based on the probability of their occurrence and the expected magnitude of their negative impact. The description of the risk factors below is based on information available and estimates made on the date of this Base Prospectus. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus, including the documents incorporated by reference, and reach their own views prior to making any investment decision.

The risk factors are presented in categories where the most material risk factor in a category is presented first under that category. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. Where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor.

1. RISKS RELATING TO THE ISSUER

Economic and market risks

Risks relating to the Swedish banking industry and the demand for the Issuer's products

Sweden has one of the most consolidated banking sectors in Europe. The Swedish banking market is dominated by a few large banks. The risks within the banking sector mainly consist of credit and market risks. Credit risk refers to the risk that a counterparty of the Issuer cannot meet its obligations and the risk that pledged assets will not cover the Issuer's claim on that counterparty. Market risk is defined as the risk that changes in interest rates, exchange rates and asset prices will lead to a decline in the value of the Issuer's net assets and liabilities. In the Issuer's opinion, the banking sector in Sweden is characterised by good credit quality compared to several other European countries, which has led to a history of low levels of credit losses for Swedish banks. The low credit risk profile reflects the dominance of retail business among Swedish banks. High cost efficiency and low risk profile are significant to the Swedish bank sector. In recent years, low interest rates, low inflation, higher real estate prices and increased disposable income for the households have led to a continued strong growth in demand for mortgage loans, especially in the residential mortgage sector. The degree to which a downturn or deterioration in macroeconomic conditions in Sweden may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's ability to attract and maintain customers in order to generate revenue and profit.

Increased competition and lower margins are potential future challenges for the banks and in particular within the mortgage segment. The demand for the Issuer's products is also dependent on the customers' forecasts for the future, market rates and other factors that have an influence on the customers' financial situation. The degree to which an increased competition in the financial services industry may affect the Issuer's margin is uncertain and presents a significant risk to the Issuer's revenue, margins and results of operations. Operating in a changing environment means that the Bank Group takes on risks related to its business model and strategy.

Changing market conditions through economic downturns, increased competition, changes in business laws/regulations or other external factors may negatively affect the Bank Group's business model and may in turn lead to loss of current revenue streams or missed future revenue opportunities. The ability of the board of directors and CEO of the Issuer to plan, organise, follow up on and control the operations and to continuously monitor market conditions is important. Failure to do so may result in a material adverse effect on the Issuer's business, financial position and results of operations.

Risks relating to the Swedish residential mortgage market

The Swedish residential mortgage market is dominated by a few banks and one government-owned mortgage institution. Low interest rates, rising housing prices and strong increases in disposable household income have led to continued strong growth in demand for loans, especially in the residential mortgage market. One of the main risks related to the Swedish residential mortgage market is the credit

risk associated with borrowers' creditworthiness, and their ability to make payments under the mortgage loan, and with the value of the mortgaged properties. The relatively low risk profile among Swedish mortgage institutions reflects a high degree of lending to single-family homes, moderate loan-to-value ratios, high lending standards and a relatively strong repayment incentive among borrowers. However, it should be noted that the debt to income ratio of borrowers continues to increase. The housing market has been strong for many years, driven by low interest rates, strong household finances, low supply of new homes in growth regions and population growth. In relation to new homes, there has recently been a substantial increase in newly-built multi-family dwellings which could reduce demand in that particular market segment for the foreseeable future, which could have a negative impact on the housing market. House prices may be negatively affected by, for example, changes in regulations affecting the mortgage market directly or indirectly or by a quick rise in interest rates or unemployment levels. The Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the **Swedish FSA**) has implemented regulations imposing more stringent amortisation requirements on residential mortgages. If the Swedish housing market were to decline, and demand for new loans, as a consequence, were to significantly decrease, this would negatively affect the demand for the Issuer's offering of loans in the Swedish residential mortgage market, and thereby adversely affecting the Issuer's business, results of operations, margins and value of mortgage collateral.

Risks relating to disruptions in the global credit markets and economy

Financial markets are subject to periods of volatility and the economic climate in the region is exposed to political risk, which may impact the Issuer's ability to raise debt in a similar manner, and at a similar cost, to the funding raised in the past. Challenging market conditions may result in greater volatility and reduced liquidity, widening of credit spreads and lack of price transparency in credit markets, which may negatively affect the Issuer. These conditions and changes in investment markets, including, but not limited to, changes in interest rates and exchange rates, may affect the financial performance of the Issuer. In addition, the financial performance of the Issuer could be adversely affected by a worsening of general economic conditions in the markets in which it operates. The current political uncertainty and financial market volatility as a result of the UK's exit from the EU, may also adversely affect the financial performance of the Bank Group and its ability to raise debt in the international capital markets. With the details of the UK's exit from the EU still unclear, and uncertainty over trade arrangements, market access and legislative and regulatory frameworks, it is not possible to evaluate the impact the UK's exit may have on European economies and financial markets.

Furthermore, the global spread of the coronavirus (**Covid-19**) has had a significant negative impact on the global economy. The mitigating actions being taken by governments to contain the spread of Covid-19 has led to a huge decline in economic activity that will continue to affect the Swedish economy as well as the development of financial markets. On 10 January 2021, the Swedish Pandemic Act (Sw. *Lag (2021:4) om särskilda begränsningar för att förhindra spridning av sjukdomen covid-19*) entered into force. The Pandemic Act gives the Swedish Government authority to *inter alia* limit public gatherings or prohibit gatherings on certain public places. As of the date of this Base Prospectus, it is highly speculative to predict what exact long-term impact the effects of Covid-19 and the applicable measures and restrictions implemented due to the virus may have on the Issuer's operations. However, there is a risk that the Issuer's operations will be affected by the direct or indirect impact of Covid-19 on the Issuer's customers or counterparts, who, as a result, may develop a change in behaviour. An illustration of the impact of Covid-19 is the increase in loan loss provisions in the Bank Group during the period from 1 January 2020 to 31 December 2020, which has mainly been related to the negative macroeconomic forecasts. The main part of the loan loss provisions has been attributed to the Issuer's subsidiary, Wasa Kredit AB (Wasa Kredit), albeit representing a limited part of the Bank Group's total lending. As the forward-looking macroeconomic scenarios in the model that calculates expected credit losses have been updated during the fourth quarter of 2020, the more positive macroeconomic trend has however led to gradually lower loan loss provisions during the year.

The possibility of an extended period of political uncertainty and financial market volatility as a result of such politically sensitive events or the spread of a contagious virus such as Covid-19 may also adversely affect the financial performance of the Issuer and its ability to raise debt in the international capital markets.

The degree to which disruptions in the global credit markets and economy may affect the Issuer is uncertain and presents a highly significant risk to the profitability and financial position of the Issuer.

Risks relating to the Kingdom of Sweden

The government debt issues in Sweden are rated Aaa by Moody's and AAA by S&P. Relatively healthy public finances, a declining government debt and a competitive export sector, together with a well-educated labour force and a high standard of living compared to some other European and non-European countries are some of the credit strengths that are significant for Sweden. The impact of Covid-19 on the Swedish public finances, the government debt and the export sector is uncertain and Covid-19's impact on the country of Sweden may result in reforms and may impact the general economic conditions of Sweden. In relation to credit, the challenging factors are high tax rates and rigidities in labour and product markets. Although Sweden has an ageing population, the pension system reforms are considered to help insulate these costs from the rest of the government finances. The credit ratings of government debt indicate credit risks associated with Sweden and since the Issuer conducts all its business activities in Sweden, the general economic conditions and creditworthiness of Sweden may affect the Issuer and its financial result. A deterioration of such credit ratings may influence investors' willingness to invest in financial instruments issued by the Issuer, which in turn can have a negative impact on the operations and financial position of the Issuer.

Operational and business risks**Credit risks and counterparty risks**

Credit risk is the risk of a potential financial loss arising from the failure of a counterparty to fulfil its financial obligations as they fall due (and such loss is not covered by any collateral (if any)). The Issuer's credit risk primarily arises from its lending activities. Furthermore, credit risk includes transfer risk, settlement risk and credit risk in financial instruments such as derivatives. The Issuer enters into agreements with counterparties for interest-rate and currency swaps, which exposes the Issuer to counterparty risks. Counterparty risk is the risk of a counterparty being unable to fulfil its commitments to the Issuer, which could lead to losses. Failure to control these risks can result in a material adverse effect on the Issuer's financial position. There are also credit risks related to the investments in liquid assets within the Issuer's liquidity reserve.

One of the core and main businesses of the Bank Group (as defined in "*Description of the Issuer*") is residential mortgage lending to Swedish borrowers. The business risk principally pertains to credit risks on the Bank Group's customers. The Bank Group's business shows relatively low credit risks and the Bank Group has historically showed low credit losses. This is largely due to the fact that the Bank Group primarily lends against security over Swedish residential real property (Sw: *fastigheter*), residential site leasehold rights (Sw: *tomträtter*) and residential tenant ownership rights (Sw: *bostadsrätter*). The volume of historical credit losses is however not any indication as to the volume of any future credit losses. As the principal part of the Bank Group's lending is made against security over real property, site leasehold rights and tenant ownership rights, the risks associated with the Bank Group's business are linked to the development of the Swedish real estate and housing market. If the Swedish real estate and housing market were to decline, this would negatively affect the value of the security granted for the Bank Group's lending which in turn presents a highly significant risk to the Issuer's loss levels and results of operations.

Operating within the banking sector and offering financial products and services involves taking calculated risks. The intention is that the risks linked with these products and services are taken consciously and are reflected in, and covered by, the prices offered to the customers.

For the period from 1 January 2020 to 31 December 2020, the Issuer's credit loss amounted to SEK 326 million (compared to SEK 207 million for the same period in 2019), which corresponds to a credit loss level of 0.09 per cent. (compared to 0.06 per cent. for the same period in 2019). The main part of the loan loss provisions has been attributed to the Issuer's subsidiary, Wasa Kredit, albeit representing a limited part of the Bank Group's total lending. Although the Issuer has had low credit losses historically, the Issuer estimates that the credit risk and the counterparty risk is the most significant risk to which the business is exposed. If the above risks were to occur, the Issuer estimates that they will have a material adverse effect on the Issuer's earnings and financial position.

The degree to which the risks related to failed assessments of the credit risk and creditworthiness of loan applicants and customers may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's loss levels and results of operations.

IT failure and cyber risks

Identification, management and control of operational risks is a clear and integrated part of the Issuer's business but deficiencies or errors in internal processes and control routines, human errors, incorrect systems or external events that affect operations may occur. This could result in a material adverse effect on the Issuer's financial position, business, the products and services it offers or its assets. The most significant operational risks for the Issuer are information technology (also herein referred to as **IT**) risks.

The Bank Group depends on the success of its business continuity planning, the uninterrupted and efficient operation of its information and communications systems, including its information technology (to manage critical business processes as well as administrative functions), Bank Group's monitoring and protective measures and the successful development and implementation of new systems. However, as is the case for information technology systems generally, losses could result from inadequate or failed internal control processes and protection systems, human error, fraud or external events that interrupt normal business operations. This could result in a loss of data and a failure to provide quality service to customers, which in turn can cause direct financial loss and may compromise the Bank Group's strategic initiatives. Technology failure or underperformance could also increase the Bank Group's litigation and regulatory exposure or require it to incur higher administrative costs (including remediation costs). Further, an irrecoverable loss of any customer database would be expensive and time-consuming to endeavour to retrieve or recreate.

LFAB (as defined in "*Description of the Issuer*" below) is providing the Bank Group with certain services related to intragroup IT and administration systems. Consequently, and in addition to the risk related to information technology set out above, the Bank Group is dependent on LFAB in relation to (i) its general IT and data security infrastructure, (ii) its strategies for intellectual property rights and data security and (iii) its relations with certain suppliers. If LFAB were to fail in any of the above, or if its own systems would fail, it would have a major impact on the Issuer's ability to conduct its business and further have an adverse effect on the Issuer's financial result.

Information technology is developing rapidly and characterised by short product life cycles. There is a risk that the Issuer fails to foresee, manage or implement technical changes at all or fast enough, that there are too many development-related disturbances in daily operations and that the lifecycle management of other support systems are lagging behind, which may lead to additional costs. Accordingly, these accentuate the IT-related risks and thus further increase the negative outcomes. The degree to which IT failures may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's operations.

Compliance risks

The banking and financing sector is heavily regulated and, as a group conducting banking and financing operations, the Bank Group is subject to regulations and regulatory supervision pursuant to numerous directives, laws, regulations and policies issued by, *inter alia*, the EU and Sweden. Legal or regulatory developments and/or changes in supervisory policies or evaluation methods could materially affect the Issuer's business, the products and services it offers or the value of its assets.

The management of business, regulatory and legal risks requires, among other things, guidelines and policies for the accurate registration and control of a large number of transactions and events. However, there is a risk that such guidelines and policies are not always adequate and compliant with applicable regulations. Non-compliance with, as well as deficiencies in, guidelines and policies for risk management that leads to negative publicity or criticism and fines from the Swedish FSA or other regulators within the financial sector would thus have a material adverse effect on the Issuer's reputation. Furthermore, any non-compliance that leads to fines from the Swedish FSA or other regulators would require the Issuer to pay amounts (which may be significant) and take measures to ensure compliance. The degree to which alterations in the regulatory landscape in which the Issuer operates may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's compliance costs.

As a lender to individuals, the Issuer processes large quantities of personal data relating to its customers. Such processing of personal data is subject to extensive regulation and scrutiny following the implementation of the general data protection regulation 2016/679/EU (**GDPR**) that became applicable as of 25 May 2018. Efforts to continuously ensure compliance with the GDPR is time-

consuming and costly. Any non-compliance with applicable data protection legislation, risks leading to substantial administrative fines and other actions which would have a material effect on the ability of the Issuer to conduct its business, such as a temporary or permanent ban on data processing. Any administrative or monetary sanctions (including administrative fines of up to the greater of EUR 20 million or 4.0 per cent of the total annual turnover) would adversely affect the Issuer's business, financial condition and results of operations. The degree to which non-compliance with applicable requirements may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's operations and reputation.

Finance risks

Liquidity and financing risks

Liquidity risk is the risk of the Issuer, due to insufficient cash and cash equivalents, being unable to fulfil its commitments or only being able to fulfil its commitments by borrowing cash and cash equivalents at a significantly higher cost. Liquidity risk also refers to the risk of financial instruments that cannot immediately be converted to cash and cash equivalents without decreasing in value. Furthermore, if the Issuer's inability to meet its payment obligations when they fall due is not temporary, it could mean that the Issuer might be considered insolvent.

Financing risk is the risk that the Issuer, in the event of financing maturity, does not successfully refinance the maturity or only succeeds in borrowing at substantially increased costs. The Bank Group's total lending exceeds the deposit volumes which leads to a dependence on capital markets to raise funding. The Issuer's lending is to a large extent made on longer terms than the Issuer's funding. Therefore, the Issuer is dependent on the ability to refinance borrowings upon their maturity.

Since the Issuer is not a listed company, it does not have direct access to the equity capital markets, and as a consequence, the Issuer is partly dependent upon its owner LFAB as a source for capital. If LFAB does not provide the Issuer with capital to the extent the Issuer needs it, this can have a negative impact on the Issuer's business. As LFAB is also not a listed company, it is in turn dependent on its owners, the 23 independent, local and customer-owned regional insurance companies in Sweden, as a source for capital.

The degree to which the liquidity and financing risks may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's capacity to fulfil its payment obligations.

Intercreditor agreement and subordination of the Issuer's claims against LF Hypotek

The Issuer and Länsförsäkringar Hypotek AB (publ) (**LF Hypotek**) have granted, and will grant additional, loans to certain borrowers which are secured by security granted to the Issuer and LF Hypotek jointly and/or on a first and second ranking basis with respect to existing and/or future obligations of the borrowers (the **Joint Collateral**). The Issuer and LF Hypotek have, in an intercreditor agreement, agreed that, unless otherwise agreed in a specific case in relation to a certain borrower, LF Hypotek's claims in respect of the Joint Collateral (and any income from the realisation thereof) shall rank senior to the Issuer's claims in respect thereof. If the proceeds following an enforcement of Joint Collateral are not sufficient to repay all amounts due under or in respect of the loans for which such Joint Collateral is granted there is a risk that the Issuer will only receive partial or no repayment of its loan to such borrower which in turn presents a significant risk to the Issuer's loss levels and results of operations.

Market risks

Market risk is the risk of loss or reduced future income due to market fluctuations. The Issuer's main market risks includes currency risk and interest rate risk. The Issuer currently lends in Swedish Kronor but may fund itself in foreign currencies. The currency risk arising in connection with the funding involves a risk of financial loss as a result of changes in exchange rates and which may have a negative impact on the financial results of the Issuer. In order to limit the currency risk, the Issuer uses derivative instruments and is therefore dependent on a liquid and well-functioning derivatives market. The interest rate risks in the Issuer's business arise when there is an imbalance in the interest rate structure between its assets and liabilities and corresponding off-balance-sheet items. The Issuer limits its exposure to interest rate fluctuations by the use of derivative instruments and by matching the interest rate and the maturity structure for its assets and liabilities. If the derivatives market becomes illiquid it could have a

negative impact on the Issuer's currency risk since it would no longer be possible to dispose of the currency risk through the use of derivative agreements or it would be substantially more expensive. Depending on how illiquid the derivatives market would be, and how SEK would develop against other currencies the Issuer is funding itself in, the negative impact on the Issuer's earnings and financial position could be significant.

Legal and regulatory risks

Increased capital requirements and standards

The Issuer is subject to capital adequacy and liquidity regulations, which aim to put in place a comprehensive and risk-sensitive legal framework to ensure enhanced risk management among financial institutions. Regulations which have impacted the Issuer and are expected to continue to impact the Issuer include, among others, the Basel III framework, the EU Capital Requirements Directive 2013/36/EU (the **CRD IV**), as amended by Directive (EU) 2019/878 (**CRD V**) and the EU Capital Requirements Regulation (EU) No. 575/2013, as amended by Regulation (EU) 2019/876 (**CRR II**) (together the **CRR**) and, as a response to the ongoing Covid-19 pandemic, by Regulation (EU) 2020/873. CRR and CRD IV are supported by a set of binding technical standards developed by the European Banking Authority. The regulatory framework will continue to evolve and any resulting changes could have a material impact on the Issuer's business.

The capital adequacy framework includes, *inter alia*, minimum capital requirements for the components in the capital base with the highest quality: common equity tier 1 (**CET1**), additional tier 1 capital and tier 2 capital. CRR II also introduces a binding leverage ratio requirement (i.e. a capital requirement independent from the riskiness of the exposures, as a backstop to risk-weighted capital requirements) for all institutions subject to the CRR. In addition to the minimum capital requirements, CRD IV provides for further capital buffer requirements that are required to be satisfied with CET1 capital. Certain buffers may be applicable to the Issuer as determined by the Swedish FSA.

The countercyclical buffer rate is a capital requirement which varies over time and is to be used to support credit supply in adverse market conditions. On 19 September 2019, the countercyclical capital buffer for Sweden was increased from 2.0 per cent to 2.5 per cent. However, due to the Covid-19 outbreak, the Swedish FSA has recently decided to decrease the countercyclical buffer to 0.00 per cent. Such new buffer rate applies since 16 March 2020. On 24 November 2020, the Swedish FSA communicated that it is expected that the new lower buffer rate will apply until at least 16 March 2022. A breach of the combined buffer requirements is likely to result in restrictions on certain discretionary capital distributions by the Issuer, for example, dividends on CET1 and coupon payments on tier 1 capital instruments.

For the period 31 December 2018 to 31 December 2021, the Swedish FSA has changed the method for applying the risk-weight floor for Swedish mortgages. The change has increased the Issuer Pillar 1 Risk Exposure Amount (**REA**) significantly, but is not viewed to have any material effect on the total (Pillar 1 and Pillar 2) capital requirement in nominal terms. However, given the increase in REA, the actual capital ratios of the Issuer (expressed as a percentage of REA) have decreased. Consequently, the Issuer headroom to pay dividends on CET1 capital and make discretionary distributions has reduced compared to previous periods.

On 25 September 2020, the Swedish FSA proposed regulatory amendments and changes in the application of capital requirements for Swedish banks in order to adapt to the EU banking package. The proposals submitted by the Swedish FSA for consultation are based on the legislative amendments set out in the Swedish Government's proposal (as decided on 24 September 2020) and contains changes relating to the handling of remuneration, operational risks, the Pillar 2 requirements, leverage ratio requirements and the capital buffers. Depending on the outcome of the proposed changes and amendments, the Pillar 2 requirements could increase and the capital buffers applicable to the Issuer could change which in turn could impact the Issuer's compliance with regulations as well as the costs of implementation and maintenance of such compliance. The amendments are proposed to enter into force at the same time as the corresponding legislative amendments (i.e. on 28 June 2021).

The conditions of the Issuer's business as well as external conditions are constantly changing and the full set of capital adequacy rules applicable to Swedish financial institutions continues to evolve. Furthermore, the extent to which a consummation of the Merger (as defined and further described in

“Description of the Issuer” below) would have an impact on the capital position and requirements of the Issuer is unclear. For the foregoing reasons, the Issuer is potentially required to raise additional capital in the future. Such capital, whether in the form of debt financing, hybrid capital or additional equity, may not be available on attractive terms, or at all. If the Issuer is required to make additional provisions, increase its reserves or capital, or exit or change its approach to certain operations as a result of, for example, the initiatives to strengthen the regulation of credit institutions, this would adversely affect its results of operations or financial condition, all of which may adversely affect the Issuer’s abilities to raise additional capital.

Serious or systematic deviations by the Issuer from the above regulations would most likely lead to the Swedish FSA determining that the Issuer’s business does not satisfy the statutory soundness requirement for credit institutions and thus result in the Swedish FSA imposing sanctions on the Issuer. Further, any increase in the capital and liquidity requirements could have a negative effect on the Issuer’s liquidity (should its revenue streams not cover continuous payment to be made under its issued capital), funding (should it not be able to raise funding on attractive terms, or at all), financial condition (should liquidity and funding be negatively affected) and results of operations (should its costs increase). The degree to which regulatory capital and liquidity requirements risks may affect the Issuer is uncertain and presents a highly significant risk to the Issuer’s funding and liquidity position.

The Bank Recovery and Resolution Directive

The Issuer is subject to EU-wide framework for the recovery and resolution of credit institutions and investment firms (Directive 2014/59/EU) known as the Bank Recovery and Resolution Directive (**BRRD**) (which was amended by Directive (EU) 2019/879 (**BRRD II**) on 27 June 2019 where most of the new rules in BRRD II will start to apply mid-2021). The BRRD legislative package establishes a framework for the recovery and resolution of credit institutions and, *inter alia*, requires EU credit institutions to produce and maintain recovery plans setting out the arrangements that may be taken to restore the long-term viability of the institution in the event of a material deterioration of its financial position.

The BRRD contains a number of resolution tools and powers which may be applied by the resolution authority (in Sweden, the Swedish National Debt Office (Sw. *Riksgäldskontoret*)) upon certain conditions for resolution being fulfilled. These tools and powers may be used alone or in combination and include, *inter alia*, a general power to write-down all or a portion of the principal amount of, or interest on, certain other eligible liabilities, whether subordinated or unsubordinated, of the institution in resolution and/or to convert certain unsecured debt claims, including claims under the Senior Preferred Notes, Senior Non-Preferred Notes and Subordinated Notes, into any other security, including CET1 instruments of the surviving entity, which equity could also be subject to any further application of the general bail-in tool. This means that most of such failing institution’s debt (including in the case of the Issuer, Notes issued under the Programme) could be subject to bail-in, except for certain classes of debt, such as certain deposits and secured liabilities.

Relevant claims for the purposes of the general bail-in tool would include the claims of the holders in respect of any Notes issued under the Programme. Further, the BRRD provides for relevant authorities to have the further power, before any other resolution action is taken, to permanently write-down or convert into equity, relevant capital instruments such as Subordinated Notes issued under the Programme at the point of non-viability. Ultimately, the authority may take control of a failing institution and, for example, transfer the institution to a private purchaser or to a publicly controlled entity pending a private sector arrangement. All these actions can be taken without any prior shareholder consent.

The powers set out in the BRRD will impact how institutions are managed as well as, in certain circumstances, the rights of creditors. Holders of eligible liabilities may be subject to write-down or conversion into equity on any application of the general bail-in tool and, in the case of subordinated liabilities (such as Subordinated Notes), non-viability loss absorption. In such circumstances, this may result in holders of Notes losing some or all of their investment. The general bail-in tool can be used to recapitalise an institution that is failing or about to fail, allowing authorities to restructure it through the resolution process and restore its viability after reorganisation and restructuring. The write-down and conversion power can be used either together with, or also, independently of, a resolution action. Other powers provided to resolution authorities under the BRRD in respect of debt instruments (which could include the Notes) include replacing or substituting the institution as obligor in respect of such debt instruments; modifying the terms of debt instruments (including altering the maturity and/or the amount

of interest payable and/or imposing a temporary suspension on payments), and/or discontinuing the listing and admission to trading of debt instruments.

It is not possible to predict exactly how the powers and tools of the Swedish National Debt Office provided in the BRRD (as implemented into Swedish law) will affect the Issuer, the Bank Group or the Noteholders. However, the powers and tools given to the Swedish National Debt Office are numerous and the exercise of any of those powers or any suggestion of such exercise would, therefore, materially adversely affect the rights of Noteholders (should the Notes be written-down or converted to other securities as set out above), the price or value of the Notes (should the secondary market not trade the Notes at their nominal amount) and/or the ability of the Issuer to satisfy its obligations under the Notes (should the resolution authority take control over the Issuer in certain scenarios). The degree to which amendments to BRRD or application of BRRD may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's funding and compliance costs.

Minimum requirement for own funds and eligible liabilities under the BRRD

In order to, among other things, ensure the effectiveness of bail-in and other resolution tools, all in-scope institutions must have sufficient own funds and eligible liabilities available to absorb losses and contribute to recapitalisation if the bail-in tool were to be applied. Each institution must meet an individual minimum requirement for own funds and eligible liabilities (**MREL**), calculated as a percentage of total liabilities and own funds and set by the relevant resolution authorities (being the Swedish National Debt Office for Sweden) on a case by case basis.

The MREL requirement has been required to be met as from 1 January 2018 (the liabilities proportion principle). On 18 June 2018, the Swedish National Debt Office announced and clarified the MREL requirement of the Issuer. Together with an additional announcement made on 7 April 2020, this means that by 1 January 2024 at the latest, the requirement must be fully met with subordinated and non-preferred liabilities (the subordinated and non-preferred liabilities principle). As a result, the Issuer will be required to issue an amount of additional eligible liabilities in the form of Senior Non-Preferred Notes or other MREL in order to meet the new MREL requirements within the required timeframes. If the Issuer was to experience difficulties in raising such eligible liabilities, it would have to reduce its lending or investments in other operations. This is likely to lead to a decrease in the Issuer's revenue which, if its costs remain unchanged, would decrease its operating result. Furthermore, the extent to which a consummation of the Merger (as defined and further described in "*Description of the Issuer*" below) would impact the MREL requirement of the Issuer is unclear. As noted in the risk factor entitled "*Increased capital requirements and standards*" above, regulatory amendments and changes in the application of capital requirements for Swedish banks in order to adapt to the EU banking package may impact the calculation and size of the MREL requirement of the Issuer. The degree to which such amendments and changes may impact the Issuer is uncertain and presents a significant risk to the Issuer's revenue.

Further, given that the MREL requirements must be met by all EU credit institutions (not just those identified as being of a particular size or of systemic importance), there is a risk that there is not sufficient investor appetite in the debt markets for the aggregate volume of eligible liabilities which must be issued up until 1 January 2024, which would have a negative effect on the price and value of such instruments. The degree to which the price and value of such instruments may vary is uncertain and presents a highly significant risk to the Issuer's revenue.

Anti-money laundering

The Bank Group's business is subject to a regulatory framework which requires the Bank Group to take measures to counteract money laundering and terrorist financing within its operations. Criminal activity within the banking industry, in which the Bank Group operates, has been increasingly uncovered in recent years. This area, not least the issue of money laundering, received particularly intense media scrutiny in the last three years. There is a risk that the Bank Group's procedures, internal control functions and guidelines to counteract money laundering and terrorist financing are not sufficient or adequate to ensure that the Bank Group complies with the regulatory framework. This may result from, for example, insufficient procedures, internal control functions or guidelines, or errors by employees, suppliers or counterparties.

Failure to comply with the applicable rules and regulations could result in legal implications. If the Bank Group were to become subject to remarks or warnings and/or administrative fines imposed by the

Swedish FSA, this presents a highly significant risk and potentially irreparable damage to the reputation of the Bank Group and, as a result, the Bank Group's business, financial position and results of operations could be materially adversely affected.

Changes in tax legislation

The Bank Group's business and transactions are conducted in accordance with the Bank Group's interpretation of applicable laws, tax treaties, regulations, case law and requirements of the tax authorities. However, there can be no assurance that the Bank Group's interpretation of applicable laws, tax treaties, regulations, case law or other rules or administrative practice is correct, or that such rules or practice will not change, possibly with retroactive effect. For example, the Swedish government previously presented a proposal for tax on financial services based on an argued tax advantage for businesses supplying financial services since these services are VAT exempt. Although the proposal was withdrawn on 24 February 2017 after being heavily criticised during the consultation for comments, mainly for being too broad, certain political parties did express their intention to prepare a new proposal in connection with the 2018 Swedish general election. In January 2019, several months after the 2018 Swedish general election, four political parties entered into an agreement in order to form a government. The agreement contains 73 items, one of which is a comprehensive tax reform. In August 2019, the current government further revisited the proposal for tax on financial services and expressed its intention to introduce such tax in 2022. In September 2020, the government released its proposed bank tax for banking groups with liabilities exceeding a certain threshold. The tax is proposed to be related to the banks' total liabilities and will, if implemented, increase the Issuer's tax costs.

It is currently not possible to predict if or when new proposals for changes to tax legislation will be presented or what they will look like. In this context, it should also be noted that new general limitations to deduct interest expenses based on Directive (EU) 2016/1164 entered into force on 1 January 2019 to apply for financial years commencing after 31 December 2018. Under the new regulation, an overall interest deduction limitation rule has been introduced for net interest expenses on all loans, i.e. both between affiliated and unaffiliated parties, under which net expenses may only be deducted up to a maximum of 30 per cent. of the borrower's EBITDA (a safe harbour rule also exists under which net interest expenses up to SEK 5 million are deductible). The changes regarding interest deduction limitations are combined with a reduction of the corporate income tax rate over a two year period. For financial years commencing before 1 January 2019, the rate is 22 per cent., for financial years commencing from and including 1 January 2019, the rate is 21.4 per cent. and for financial years commencing from and including 1 January 2021, the rate is 20.6 per cent.

The Bank Group's tax situation for previous, current and future years may change as a result of legislative changes such as that mentioned above, decisions made by the tax authorities or as a result of changed tax treaties, regulations, case law or requirements of the tax authorities. Such decisions or changes, potentially with retroactive effect, could adversely affect the Bank Group's business, financial condition and results of operations.

The degree to which the above-mentioned tax related risks may affect the Bank Group is uncertain and presents a highly significant risk to the Issuer's costs and consequently to the Issuer's costs, financial position and results of operations.

Risks relating to changes in accounting standards

From time to time, the International Accounting Standards Board (the **IASB**), the EU and other regulatory bodies change the financial accounting and reporting standards that govern the preparation of the Issuer's financial statements. These changes can be difficult to predict and can materially impact how the Issuer records and reports its results of operations and financial condition.

In July 2014, the IASB issued a new accounting standard, International Financial Reporting Standard 9 (Financial Instruments) (**IFRS 9**), which replaces IAS 39 and IAS 32 and became effective from 1 January 2018. IFRS 9 provides principles for classification of financial instruments and provisioning for expected credit losses which are mandatory, and therefore fully implemented by the Issuer, as of 1 January 2018. Furthermore, IFRS 9 provides a new general hedge accounting model that is not yet mandatory which is why it is currently not possible to determine the extent of the impact that the implementation of the hedge accounting model will have on CET1 capital as the new rules for the transition and its impact on capital ratios are not yet final. As a consequence of the new general hedge

accounting model under IFRS 9, and the uncertainty regarding its implementation, the Issuer may need to obtain additional capital in the future, and may not be able to obtain new equity capital or debt financing qualifying as regulatory capital on attractive terms, or at all.

The degree to which changes in accounting standards may affect the Bank Group as a whole is uncertain and presents a highly significant risk to the Issuer's costs for regulatory capital and consequently to the Issuer's financial position.

Changes to the Swedish Deposit Insurance Scheme

The Swedish Deposit Insurance Scheme (**SDIS**) guarantees the depositors' deposits in the event the Issuer is declared bankrupt or if the Swedish FSA determines that the SDIS should be activated in a given situation. The SDIS is administered by the Swedish National Debt Office. If activated, the insurance guarantees each customer compensation amounting to the value of the total funds in his or her account(s) with the Issuer, plus accrued interest, until the time of bankruptcy or the Swedish FSA's activation decision. The maximum compensation is an amount of SEK 1,050,000, with some exceptions. The maximum compensation in SEK is converted from EUR 100,000 every five years in accordance with the Swedish Deposit Insurance Act (1995:1571). Hence, changes in the exchange rate may have a negative impact on the maximum compensation amount. There is also a risk that regulatory changes which decrease the maximum compensation amount or change the SDIS, are implemented, which could have a negative effect on the amount of customer savings deposit currently held with the Issuer.

2. RISKS RELATING TO THE NOTES

Risks relating to all Notes issued under the Programme

The Notes will be structurally subordinated to the liabilities of the Issuer's subsidiaries

A major part of the Bank Group's business is to serve its customers with mortgage loans. All mortgage loans with loan to value up to 75 per cent. are, however, placed in the Issuer's subsidiary (**LF Hypotek**) and mortgage loans with loan to value above 75 per cent. are placed in the Issuer. As a significant share of the Issuer's revenue derives from the mortgage loans held by LF Hypotek, the Issuer is reliant on the ability of LF Hypotek to advance loans or make dividend distributions to the Issuer to enable it to meet its payment obligations (including making payments under the Notes). The Issuer is thus dependent upon receipt of sufficient income arising from the operations of LF Hypotek.

All of the Issuer's subsidiaries, including LF Hypotek, (the **Subsidiaries**) are legally separate and distinct from the Issuer and have no obligation to pay amounts due with respect to the Issuer's obligations and commitments or to make funds available for such payments. The ability of the Subsidiaries to make such payments to the Issuer is subject to, among other things, the availability of funds, corporate restrictions, the terms of each operation's indebtedness (including, but not limited to, LF Hypotek's issuance of covered bonds) and Swedish law. No present or future subsidiary of the Issuer will guarantee or provide any security for the Issuer's obligations under the Notes and consequently the Noteholders do not have any recourse to the assets of the Subsidiaries.

If any subsidiary of the Issuer is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceeding, the creditors of such subsidiary, will generally be prioritised due to their position in the capital structure and will generally be entitled to payment in full from the sale or other disposal of the assets of such a subsidiary before the Issuer, as a direct or indirect shareholder, will be entitled to receive any distributions from such a subsidiary.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

Notes issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary or common safekeeper, as applicable, for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one

or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by one or more Global Notes the Issuer will discharge its payment obligations under the Notes by making payments to the common depositary or common service provider, as applicable, for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. 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.

Notes where denominations involve integral multiples: definitive Notes

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

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

Modification, waivers and substitution

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

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of the Noteholders or the Couponholders, agree to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed) and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders or (iii) the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 11 of the Terms and Conditions of the Notes. In addition, the Trustee shall be obliged to concur with the Issuer in effecting any Benchmark Amendments in the circumstances and as otherwise set out in Condition 5(l) without the consent of Noteholders or Couponholders.

Change of law

The Terms and Conditions of the Notes are based on English law or, in the case of Condition 3, the laws of the Kingdom of Sweden, in each case in effect as at the date of issue of the relevant Notes.

No assurance can be given as to the impact of any possible judicial decision or change to English or Swedish law or administrative practice after the date of this Base Prospectus and any such change could materially adversely impact the value of any Notes affected by it.

Enforceability of judgments

A judgment entered against a company incorporated in Sweden in the courts of a state which is not under the terms of (i) Regulation (EU) No. 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (the **2012 Brussels Regulation**), (ii) Council Regulation (EC) No. 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (the **2000 Brussels Regulation**), or (iii) the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters made at Lugano on 30 October 2007 (the **Lugano Convention**), a Member State (as defined in the 2012 Brussels Regulation and the 2000 Brussels Regulation) or a Contracting State (as defined in the Lugano Convention), would not be recognised or enforceable in Sweden as a matter of law without a retrial on its merits (but will be of persuasive authority as a matter of evidence before the courts of law, administrative tribunals or executive or other public authorities of Sweden). The United Kingdom left the EU on 31 January 2020 at 11 pm (UK time) and the EU single market on 31 December 2020. As a result, an English court judgment entered against the Issuer in relation to the Notes will neither be recognised nor be enforceable in Sweden (absent any replacement arrangements being put in place) and the Noteholders would be required to re-litigate in the courts of Sweden. The UK has applied to join the Lugano Convention in its own right which is still subject to approval from the EU.

Risks relating to the structure of a particular issue of Notes

The Notes may be redeemed prior to maturity

Unless in the case of any particular Tranche of Notes the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement specifies otherwise, in the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Sweden or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, if in the case of any particular Tranche of Notes the relevant Final Terms or, in the case of Exempt Notes, the relevant Pricing Supplement specify that the Notes are redeemable at the Issuer's option in certain other circumstances the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

Where Notes are subject to redemption at the option of the Issuer, holders of Notes do not have any right to require the Issuer to exercise such optional redemption feature and should not invest in the Notes in the expectation that any early redemption option would be exercised by the Issuer. In addition, in the case of Subordinated Notes, in order to exercise any such option the Issuer must, under currently applicable rules, obtain the prior consent of the Swedish FSA and there is no guarantee that the exercise of any such early redemption option will be permitted by the Swedish FSA. See "*Early Redemption*" and "*Call options may not be exercised*" below.

The interest rate on Fixed Reset Notes will reset on each Reset Date, which can be expected to affect interest payments on an investment in Fixed Reset Notes and could affect the market value of Fixed Reset Notes

Fixed Reset Notes will initially bear interest at the Initial Interest Rate until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to the sum of the applicable Mid-Swap Rate and the Reset Margin as determined by the Issuing and Paying Agent on the relevant Reset Determination Date (each such interest rate, a **Subsequent Reset Rate**). The Subsequent Reset Rate for any Reset Period could be less than the Initial Interest Rate or the Subsequent Reset Rate for prior Reset Periods and could affect the market value of an investment in the Fixed Reset Notes.

Fixed/Floating Rate Notes

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

Notes issued at a substantial discount or premium

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

Risks relating to the market**The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to such “benchmarks”**

LIBOR, EURIBOR, STIBOR, NIBOR, HKD-HIBOR, AUD-BBR-BBSW, CDOR and other rates and indices which are deemed to be “benchmarks”, are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a “benchmark”.

Regulation (EU) 2016/1011 (the **EU Benchmarks Regulation**) applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities (such as the Issuer) of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the EUWA (the **UK Benchmarks Regulation**) among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the UK Financial Conduct Authority (**FCA**) or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing a benchmark in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

The FCA has stated, in its announcement on 5 March 2021, that all LIBOR settings will either cease to be provided by any administrator or no longer be representative: (i) immediately after 31 December 2021, in the case of all sterling, euro and Japanese yen settings, and the 1-week and 2-month U.S. dollar settings; and immediately after 30 June 2023, in the case of the remaining U.S. dollar settings. In addition, it is not possible to predict with certainty whether, and to what extent, EURIBOR, STIBOR, NIBOR, HKD-HIBOR, AUD-BBR-BBSW and/or CDOR will continue to be supported going forwards. This may cause such benchmarks to perform differently than they have done in the past, and may have

other consequences which cannot be predicted. The reform of EURIBOR to adopt a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate); or the elimination of LIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the conditions of the Notes or result in other consequences in respect of any Notes referencing such benchmarks.

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

The Terms and Conditions of the Notes provide for certain fallback arrangements in the event that a published benchmark, including an inter-bank offered rate such as LIBOR, EURIBOR, STIBOR, NIBOR, HKD-HIBOR, AUD-BBR-BBSW, CDOR or other relevant reference rates, ceases to be published or a Benchmark Event (as defined in the Condition 5(l)) otherwise occurs. No consent of the Noteholders or Couponholders shall be required in connection with effecting any relevant Successor Rate or Alternative Rate (as applicable) or any other related adjustments and/or amendments. Any such adjustment or amendment could have unexpected commercial consequences and there can be no assurance that, due to the particular circumstances of each Noteholder or Couponholder, any such adjustment will be favourable to each Noteholder or Couponholder.

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

Any such consequences could have a material adverse effect on the value of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant rate could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or Fixed Reset Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes or Fixed Reset Notes.

In addition, in the case of Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes, potential investors should also note that no Successor Rate, Alternative Rate or Adjustment Spread will be adopted, and no other amendments to the relevant conditions will be made to effect the Benchmark Amendments, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to:

- (a) prejudice the qualification of the Notes as (I) in the case of Subordinated Notes, Tier 2 Capital (as defined in Condition 6(h)) of the Issuer and/or (II) in the case of Senior Preferred Notes or Senior Non-Preferred Notes, eligible liabilities (or any equivalent or successor term) for the purposes of Applicable Banking Regulations (as defined in Condition 3(e)); and/or
- (b) in the case of Senior Preferred Notes or Senior Non-Preferred Notes, result in the Relevant Regulator (as defined in Condition 6(j)) treating the next Interest Payment Date or Reset Date, as applicable, as the effective maturity of the Notes, rather than the relevant Maturity Date.

In all such circumstances, the ultimate fallback for determining the rate of interest (which is described above) will apply.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, or any of the international or national reforms and the possible application of the benchmarks

replacement provisions in the Terms and Conditions of the Notes, in making any investment decision with respect to any Notes linked to or referencing a benchmark.

There is no active trading market for the Notes

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although application has been made for the Notes other than Exempt Notes issued under the Programme to be admitted to listing on the official list and trading on the Regulated Market of the Luxembourg Stock Exchange, there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

Exchange rate risks and exchange controls

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

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

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended, reduced or withdrawn by the rating agency at any time. Any such revision, suspension, reduction or withdrawal could adversely affect the market value of the Notes. For the avoidance of doubt, the Issuer does not commit to ensure that any specific rating of any Tranche of Notes will be upheld nor that any credit rating agency rating the Notes will remain the same.

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

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

country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK, of existing pre-2021 ratings, provided the relevant conditions are satisfied.

If the status of the rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

Risks applicable to Senior Preferred Notes, Senior Non-Preferred Notes and Subordinated Notes

Senior Non-Preferred Notes will rank junior to the Issuer's other unsubordinated creditors

As provided under Condition 3(b) of the Terms and Conditions of the Notes, the rights of the holders of any Senior Non-Preferred Notes shall rank (i) junior in right of payment to the claims of depositors and other unsubordinated creditors of the Issuer that are creditors on or in respect of Senior Preferred Obligations; (ii) at least *pari passu* with the claims of creditors on or in respect of all other Senior Non-Preferred Obligations; and (iii) in priority to the claims of holders of ordinary shares of the Issuer and any subordinated obligations or other subordinated securities of the Issuer (including the Subordinated Notes). If, on a liquidation (Sw: *likvidation*) or bankruptcy (Sw: *konkurs*), the assets of the Issuer are insufficient to enable the Issuer to repay the claims of more senior-ranking creditors in full, the holders of Senior Non-Preferred Notes will lose their entire investment in the Senior Non-Preferred Notes. If there are sufficient assets to enable the Issuer to pay the claims of more senior-ranking creditors in full but insufficient assets to enable the Issuer to pay claims arising under its obligations in respect of the Senior Non-Preferred Notes and all other claims that rank *pari passu* with the Senior Non-Preferred Notes, the holders of the Senior Non-Preferred Notes will lose some (which may be substantially all) of their investment in the Senior Non-Preferred Notes.

Although Senior Non-Preferred Notes may pay a higher rate of interest than comparable Notes which benefit from a preferential ranking, there is a significant risk that an investor in Senior Non-Preferred Notes will lose all or some of its investment in the event of the voluntary or involuntary liquidation or bankruptcy of the Issuer. See Condition 3(b) of the Terms and Conditions of the Notes.

The Issuer's obligations under Subordinated Notes are subordinated

Notes may be subordinated, as specified in the relevant Final Terms (or, in the case of Exempt Notes, the relevant Pricing Supplement) (**Subordinated Notes**). As described under Condition 3(c) of the Terms and Conditions of the Notes, the payment obligations of the Issuer under any Subordinated Notes shall, in the event of the voluntary or involuntary liquidation or bankruptcy of the Issuer, be subordinated in right of payment to the claims of depositors, other unsubordinated creditors of the Issuer and subordinated creditors of the Issuer whose rights are expressed to rank in priority to the holders of the Subordinated Notes.

Although Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is a significant risk that an investor in Subordinated Notes will lose all or some of his investment in the event of the voluntary or involuntary liquidation or bankruptcy of the Issuer. See Condition 3(c) of the Terms and Conditions of the Notes.

The Priorities Act (Sw: *förmånsrättslagen (1970:979)*) acknowledges that subordinated creditors will rank after unsubordinated creditors. However, the Priorities Act does not explicitly acknowledge that one group of subordinated creditors may rank differently from another group of subordinated creditors. As a result, there is some uncertainty as to whether such layering will be upheld. Even though market participants have assumed for a long time that the layering will be upheld, in the event of the Issuer's bankruptcy, the Priorities Act does not give clear guidance on this issue. Should such layering not be upheld, all subordinated creditors would rank *pari passu* (although still subordinated to unsubordinated claims). As a result this may reduce the amount recoverable by holders of Subordinated Notes on the bankruptcy or any liquidation of the Issuer.

Events of Default

The only Events of Default in relation to the Notes are set out in Condition 10 of the Terms and Conditions of the Notes. If an Event of Default has occurred under Condition 10, the Trustee may institute such steps, including the obtaining of a judgment against the Issuer for any amount due in respect of the relevant Notes, as it thinks desirable with a view to having the Issuer declared bankrupt (Sw: *konkurs*) or put into liquidation (Sw: *likvidation*) but not otherwise and, consequently, if any Notes become due and repayable pursuant to Condition 10, the Issuer shall, subject to receiving the prior consent of the Relevant Regulator (if such consent is required), only be required to make such payment after it has been declared bankrupt (Sw: *konkurs*) or put into liquidation (Sw: *likvidation*).

No limitation on issuing debt

There is no restriction under the Terms and Conditions of the Notes on the amount of debt which the Issuer may issue which ranks senior to the Senior Non-Preferred Notes or the Subordinated Notes or on the amount of securities which the Issuer may issue which ranks senior to or *pari passu* with the Senior Non-Preferred Notes or the Subordinated Notes. As a result this may reduce the amount recoverable by holders of Senior Non-Preferred Notes or Subordinated Notes, as the case may be, on the bankruptcy or any liquidation of the Issuer.

Early Redemption

The Notes may contain provisions allowing the Issuer to call them after a minimum period as specified in the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) (this would be expected to be at least five years in the case of Subordinated Notes), or even earlier than such specified date (and at any time) upon the occurrence of a Withholding Tax Event or a Tax Deductibility Event (each as defined in Condition 6(c)(2)) or, in the case of Senior Preferred Notes or Senior Non-Preferred Notes only, an Eligible Liabilities Event (as defined in Condition 6(i)) or, in the case of Subordinated Notes only, a Capital Event (as defined in Condition 6(h)). If the Issuer considers it favourable to exercise any such call option, the Issuer must first obtain the prior consent of the Relevant Regulator (if such consent is required).

Holders of such Notes have no rights to call for the redemption of such Notes and should not invest in such Notes in the expectation that such a call will be exercised by the Issuer. In order for such Notes to be redeemed, the Relevant Regulator must first, in its discretion, agree to permit such a call, based upon its evaluation of the regulatory capital position of the Issuer and certain other factors at the relevant time. In addition, if the Issuer seeks approval to exercise a call option before five years from the date of issuance of the Subordinated Notes, the Relevant Regulator may only give its approval if certain conditions have been met in relation to changes in tax law or regulatory capital treatment of such Notes. There can be no assurance that the Relevant Regulator will permit such a call or that the Issuer will exercise such a call.

Holders of such Notes should be aware that they may be required to bear the financial risks of an investment in such Notes for a period of time in excess of the minimum period until the Maturity Date which could affect the market value of an investment in the Notes.

Substitution or Variation of the Notes

Where the applicable Final Terms (or, in the case of Exempt Notes, the applicable Pricing Supplement) specify that "Variation or Substitution" applies, if at any time in the case of Senior Preferred Notes or Senior Non-Preferred Notes, as applicable, an Eligible Liabilities Event, or, in the case of Subordinated Notes, a Capital Event, occurs and is continuing or in order to ensure the effectiveness and enforceability of Condition 17(d), the Issuer may, subject to obtaining the prior consent of the Relevant Regulator (without any requirement for the consent or approval of the relevant Noteholders or, subject as provided in Condition 6(k), the Trustee) either substitute all (but not some only) of the relevant Senior Preferred Notes, the relevant Senior Non-Preferred Notes or the relevant Subordinated Notes, as applicable, for, or vary the terms of the relevant Senior Preferred Notes, the relevant Senior Non-Preferred Notes or the relevant Subordinated Notes, as applicable, and/or the terms of the Trust Deed so that they remain or, as appropriate, become, Qualifying Securities, as further provided in Condition 6(k). The Terms and Conditions of such substituted or varied Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes, as the case may be, may have terms and conditions that contain one or more provisions that are substantially different from the terms and conditions of the

original Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes, as the case may be, provided that the relevant Senior Preferred Notes, the relevant Senior Non-Preferred Notes or the relevant Subordinated Notes, as applicable, remain or, as appropriate, become, Qualifying Securities, in accordance with the Terms and Conditions of the Notes. While the Issuer cannot make changes to the terms of Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes that, in its reasonable opinion, are materially less favourable to the holders of the relevant Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes, as applicable, as a class, no assurance can be given as to whether any of these changes will negatively affect any particular Noteholder. In addition, the tax and stamp duty consequences of holding such substituted or varied Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes could be different for some categories of Noteholders from the tax and stamp duty consequences for them of holding the original Senior Preferred Notes, Senior Non-Preferred Notes or the Subordinated Notes prior to such substitution or variation.

Call options may not be exercised

The Notes may contain provisions allowing the Issuer to call them after a minimum period of, for example, five years. To exercise such a call option the Issuer must obtain the prior consent of the Relevant Regulator. Holders of such Notes have no rights to call for the redemption of such Notes and should not invest in such Notes in the expectation that such a call will be exercised by the Issuer. Even if the Issuer is given prior consent by the Relevant Regulator, any decision by the Issuer as to whether it will exercise calls in respect of such Notes will be taken at the absolute discretion of the Issuer with regard to factors such as the economic impact of exercising such calls, regulatory capital requirements and prevailing market conditions. Holders of such Notes should be aware that they may be required to bear the financial risks of an investment in such Notes for a period of time in excess of the minimum period.

Subordinated Notes may be subject to loss absorption on any application of the general bail-in tool or at the point of non-viability of the Issuer

The BRRD (as defined above) contemplates that Subordinated Notes may be subject to non-viability loss absorption, in addition to the application of the general bail-in tool. See “*Bank Recovery and Resolution Directive*” above.

No right of set-off or counterclaim

Subject as provided in the Terms and Conditions of the Notes, no Noteholder shall be entitled to exercise any right of set-off or counterclaim against moneys owed by the Issuer in respect of the Notes (including any damages awarded for breach of any obligations under the Terms and Conditions of the Notes, if any are payable) held by such Noteholder.

Limitation on gross-up obligation under the Notes

The Issuer's obligation to pay additional amounts in respect of any withholding or deduction in respect of Swedish taxes under the terms and conditions of the Notes applies only to payments of interest and not to payments of principal. As such, the Issuer would not be required to pay any additional amounts under the terms of the Notes to the extent any such withholding or deduction applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to any payments of principal under the Notes, holders of such Notes would, upon repayment or redemption of such Notes, be entitled to receive only the net amount of such redemption or repayment proceeds after deduction of the amount required to be withheld. The market value of such Notes may be adversely affected.

Loss absorption at the point of non-viability of the Issuer

The holders of Subordinated Notes are subject to the risk that such Notes may be required to absorb losses as a result of statutory powers conferred on resolution and competent authorities in Sweden (the Swedish National Debt Office and the Swedish FSA). As noted above, the powers provided to resolution and competent authorities (the Swedish National Debt Office and the Swedish FSA for Sweden) in the BRRD include write-down/conversion powers to ensure that relevant capital instruments (such as Subordinated Notes issued under the Programme) fully absorb losses at the point of non-viability of the issuing institution in order to allow it to continue as a going concern subject to appropriate restructuring. As a result, the BRRD contemplates that resolution authorities (the Swedish National Debt Office for Sweden) may require the permanent write-down of such capital instruments (which write-down may be

in full) or the conversion of them into CET1 instruments at the point of non-viability (which CET1 instruments may also be subject to any application of the general bail-in tool described above) and before any other bail-in or resolution tool can be used. Measures ultimately adopted in this area may apply to any debt currently in issue, including Subordinated Notes issued under the Programme. Accordingly, in a worst case scenario, the capital instruments may be written down and the value of the Notes may be reduced to zero (0).

The application of any non-viability loss absorption measure may result in holders of Subordinated Notes losing some or all of their investment. Any such conversion to equity or write-off of all or part of an investor's principal (including accrued but unpaid interest) shall not constitute an Event of Default and holders of Subordinated Notes will have no further claims in respect of any amount so converted or written off. The exercise of any such power may be inherently unpredictable and may depend on a number of factors which may be outside the Issuer's control. Any such exercise, or any suggestion that the Subordinated Notes could become subject to such exercise, could, therefore, materially adversely affect the value of the Subordinated Notes.

Documents Incorporated by Reference

This Base Prospectus should be read and construed in conjunction with the audited consolidated annual financial statements of the Issuer for the financial year 31 December 2020 (the **2020 Annual Report**, which is available at <https://mb.cision.com/Main/152/3314300/1392783.pdf>) and the audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2019 (the **2019 Annual Report**, which is available at <https://mb.cision.com/Main/152/3068407/1217692.pdf>) and, together, in each case with the audit report thereon, which have been previously published or are published simultaneously with this Base Prospectus and filed with it.

Such documents, and the Terms and Conditions of the Notes contained in previous Base Prospectuses dated 14 June 2019 (pages 60 to 94 (inclusive) which is available at <https://www.lansforsakringar.se/globalassets/aa-global/dokument/ovrigt/aa-om-oss/lf-bank/prospekt/lansforsakringar-bank-emtn-base-prospectus-14-june-2019.pdf>), 4 June 2018 (pages 52 to 81 (inclusive) which is available at <https://www.lansforsakringar.se/globalassets/aa-global/dokument/ovrigt/aa-om-oss/lf-bank/prospekt/lansforsakringar-bank-emtn-base-prospectus-4-june-2018.pdf>), dated 21 June 2017 (pages 50 to 79 (inclusive) which is available at <https://www.lansforsakringar.se/globalassets/aa-global/dokument/ovrigt/aa-om-oss/lf-bank/prospekt/lansforsakringar-bank-emtn-base-prospectus-21-june-2017.pdf>), 1 July 2016 (pages 47 to 74 (inclusive) which is available at <https://www.lansforsakringar.se/globalassets/aa-global/dokument/ovrigt/aa-om-oss/lf-bank/prospekt/lansforsakringar-bank-emtn-base-prospectus-1-july-2016-.pdf>), 27 June 2014 (pages 39 to 63 (inclusive) which is available at <https://www.lansforsakringar.se/globalassets/aa-global/dokument/ovrigt/aa-om-oss/lf-bank/prospekt/lansforsakringar-bank-emtn-base-prospectus-27-june-2014.pdf>) and 28 June 2013 (pages 36 to 60 (inclusive) which is available at <https://www.lansforsakringar.se/globalassets/aa-global/dokument/ovrigt/aa-om-oss/lf-bank/prospekt/lansforsakringar-bank-emtn-base-prospectus-28-june-2013.pdf>) prepared by the Issuer in connection with the Programme, shall be incorporated by reference, and form part of this Base Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus 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 be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus. Copies of documents incorporated by reference in this Base Prospectus, as well as the Base Prospectus itself will be available on the website of the Issuer (<https://www.lansforsakringar.se/stockholm/other-languages/english/about-lansforsakringar/lansforsakringar-bank/>), and on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

The information incorporated by reference above is available as follows:

Information incorporated by reference	Reference
2020 Annual Report	
Consolidated Income Statement	Page 37 of the 2020 Annual Report
.....	
Statement of Comprehensive Income – Group Consolidated Balance Sheet	Page 37 of the 2020 Annual Report Page 38 of the 2020 Annual Report
.....	
Consolidated Cash Flow Statement (indirect method)	Page 39 of the 2020 Annual Report
.....	
Consolidated Statement of Changes in Shareholders' Equity - Group	Page 40 of the 2020 Annual Report
.....	

Notes to the Consolidated Financial Statements	Pages 41 – 81 of the 2020 Annual Report
.....	
Auditor's Report	Pages 106 to 109 of the 2020 Annual Report
.....	
Definitions	Page 113 of the 2020 Annual Report
.....	
2019 Annual Report	
Consolidated Income Statement	Page 32 of the 2019 Annual Report
.....	
Statement of Comprehensive Income – Group Consolidated Balance Sheet	Page 32 of the 2019 Annual Report Page 33 of the 2019 Annual Report
.....	
Consolidated Cash Flow Statement (indirect method)	Page 34 of the 2019 Annual Report
.....	
Consolidated Statement of Changes in Shareholders' Equity – Group	Page 35 of the 2019 Annual Report
.....	
Notes to the Consolidated Financial Statements	Pages 36 to 80 of the 2019 Annual Report
.....	
Auditor's Report	Pages 106 to 109 of the 2019 Annual Report
.....	
Definitions	Page 113 of the 2019 Annual Report
.....	

Supplement to the Base Prospectus

If at any time during the duration of the Programme there is a significant new factor, material mistake or material inaccuracy relating to information contained in this Base Prospectus which may affect the assessment of any Notes whose inclusion would reasonably be required by investors, and would reasonably be expected by them to be found in this Base Prospectus, for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, the rights attaching to the Notes and the reasons for the issuance and its impact on the Issuer, the Issuer shall prepare a supplement to this Base Prospectus or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes.

Applicable Final Terms

[MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES (ECPs) ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]¹

[UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES (ECPs) ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]²

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the **EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the **Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]³

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the **UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making

¹ Legend to be included on front of the Final Terms if following the ICMA 1 “all bonds to all professionals” target market approach.

² Legend to be included on front of the Final Terms if following the ICMA 1 “all bonds to all professionals” target market approach.

³ Legend to be included on front of the Final Terms if the Notes potentially constitute “packaged” products and no key information document will be prepared in the EEA or the Issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.⁴

[NOTIFICATION UNDER SECTION 309B(1)(c) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (the SFA) - [Insert notice if classification of the Notes is not “prescribed capital markets products”, pursuant to Section 309B of the SFA or 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)].⁵

The form of Final Terms that will be issued in respect of each Tranche of Notes other than Exempt Notes issued under the Programme, subject only to the deletion of non-applicable provisions, is set out below:

Final Terms dated [date]

LÄNSFÖRSÄKRINGAR BANK AB (PUBL)

Legal entity identifier (LEI): 549300C6TUMDXNOVXS82

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the EUR 4,000,000,000**

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 30 March 2021 [and the supplement[s] to the Base Prospectus dated [date] [and [date]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the **Base Prospectus**). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with such Base Prospectus in order to obtain all the relevant information. The Base Prospectus is available for viewing on the website of the Luxembourg Stock Exchange at www.bourse.lu. In the case of Notes admitted to trading on the regulated market of the Luxembourg Stock Exchange, the applicable final terms will also be published on the website of the Luxembourg Stock Exchange www.bourse.lu.]

(The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.)

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Base Prospectus dated [14 June 2019/4 June 2018/21 June 2017/1 July 2016/27 June 2014/28 June 2013] [and the supplement to the Base Prospectus dated [date]]. This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus dated 30 March 2021 [and the supplement[s] to the Base Prospectus dated [date] [and [date]]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation (the **Base Prospectus**), including the Conditions incorporated by reference in the Base Prospectus in order to obtain all the relevant information. [The Base Prospectuses are available for viewing on the website of the Luxembourg Stock Exchange at www.bourse.lu.]

*(Include whichever of the following apply or specify as **Not Applicable** (N/A). Note that the numbering should remain as set out below, even if **Not Applicable** is indicated for individual paragraphs or sub paragraphs. Italics denote guidance for completing the Final Terms.)*

1. (i) Series Number: [•]

⁴ Legend to be included on the front of the Final Terms if the Notes potentially constitute “packaged” products and no key information document will be prepared in the UK or the Issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

⁵ Relevant Manager(s)/Dealer(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

- (ii) Tranche Number: [•]
- (iii) Date on which the Notes will be consolidated and form a single Series: [The Notes will be consolidated and form a single Series with [•] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 24 below, which is expected to occur on or about [•]] [Not Applicable]
2. Specified Currency or Currencies: [•]
3. Aggregate Nominal Amount of Notes admitted to trading:
- (i) Series: [•]
- (ii) Tranche: [•]
4. Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
5. (i) Specified Denominations: [•]
- (Note – where multiple denominations above €100,000 or equivalent are being used the following sample wording should be followed:*
- “€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Notes in definitive form will be issued with a denomination above €199,000.”)*
- (Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).)*
- (ii) Calculation Amount: [•]
(Applicable to Notes in definitive form.)
(If only one Specified Denomination, insert the Specified Denomination.
- If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
6. (i) Issue Date: [•]
- (ii) Interest Commencement Date: [•/Issue Date/Not Applicable]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*

7. Maturity Date: *[Fixed rate – specify date/ Floating rate – Interest Payment Date falling in or nearest to the relevant month and year]*
8. Interest Basis: *[[•] per cent. Fixed Rate]*
[Fixed Reset Notes]
[[•] month
[LIBOR/EURIBOR/STIBOR/NIBOR/HKD-HIBOR/AUD-BBR-BBSW/CDOR] +/- [•] per cent. Floating Rate]
[Zero Coupon]
(see paragraph [13] [14] [15] [16] below)
9. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100] [•] per cent. of their nominal amount
10. Change of Interest Basis: *[Specify details of any provision for change of Notes into another Interest Basis][Not Applicable]*
11. Put/Call Options: *[Not Applicable]*
[Investor Put]
[Issuer Call]
[Capital Event Redemption]
[Eligible Liabilities Event Redemption]
[Tax Deductibility Event Redemption]
[(see paragraph [17] [18] [21] [22] below)]
12. (i) Status of the Notes: *[Senior Preferred Notes / Senior Non-Preferred Notes / Subordinated Notes]*
- (ii) *[Date Board approval for issuance of Notes obtained:* *[•] [Not Applicable]*
(N.B Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Fixed Rate Note Provisions *[Applicable/Not Applicable] (If not applicable, delete the remaining sub- paragraphs of this paragraph)*
- (i) Rate(s) of Interest: *[•] per cent. per annum payable in arrear on each Interest Payment Date*
- (ii) Interest Date(s): Payment *[•] in each year up to and including the Maturity Date*
- (iii) Fixed Amount(s): Coupon *[•] per Calculation Amount*
(Applicable to Notes in definitive form)
- (iv) Broken Amount(s): *[[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]] [Not Applicable]*
(Applicable to Notes in definitive form)
- (v) Day Count Fraction: *[30/360/Actual/Actual (ICMA/ISDA)]*

- (vi) Determination Dates: ☐ in each year ☐ [Not Applicable] *(insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*

14. Fixed Reset Note Provisions

[Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) Initial Interest Rate: ☐ per cent. per annum [payable [annually/semi-annually/quarterly] in arrear on each Interest Payment Date]
- (ii) Interest Payment Date(s): ☐ in each year up to and including the Maturity Date]
- (iii) Fixed Coupon Amount to (but excluding) the First Reset Date: *(Applicable to Notes in definitive form)* ☐ per Calculation Amount/Not Applicable]
- (iv) Broken Amount(s): *(Applicable to Notes in definitive form)* ☐ per Calculation Amount payable on the Interest Payment Date falling [in/on] ☐ [Not Applicable]
- (v) Day Count Fraction: [30/360] [Actual/Actual (ICMA/ISDA)]
- (vi) Determination Date(s): ☐ in each year][Not Applicable]
- (vii) First Reset Date: ☐
- (viii) Second Reset Date: ☐/[Not Applicable]
- (ix) Subsequent Reset Date(s): ☐ [and ☐]/[Not Applicable]
- (x) Reset Margin: [+/-]☐ per cent. per annum
- (xi) Relevant Swap Screen Page: ☐
- (xii) Floating Leg Reference Rate: ☐
- (xiii) Floating Leg Screen Page: ☐
- (xiv) Initial Mid-Swap Rate: ☐ per cent. per annum (quoted on [an annual/a semi-annual] basis)

15. Floating Rate Note Provisions

[Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) Interest Period(s): ☐
- (ii) Specified Interest Payment Dates: ☐ [, subject to adjustment in accordance with the Business Day Convention set out in (iii) below, not subject to adjustment, as the Business Day Convention in (iii) below is specified to be Not Applicable]

- | | | | |
|--------------------------|--|------|--|
| (iii) | Business Convention: | Day | [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable] |
| (iv) | Business Centre(s): | | [•] |
| (v) | Manner in which the Rate(s) of Interest is/are to be determined: | | [Screen Rate Determination/ISDA Determination] |
| (vi) | Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): | | [•] [Not Applicable] |
| (vii) | Screen Determination: | Rate | [Applicable/Not Applicable] |
| <input type="checkbox"/> | Reference Rate: | | [•] month
[LIBOR/EURIBOR/STIBOR/NIBOR/HKD-HIBOR/AUD-BBR-BBSW/CDOR] |
| <input type="checkbox"/> | Interest Determination Date(s): | | [•]

<i>(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR, second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR, second Stockholm business day prior to the start of each Interest Period if STIBOR, the second Oslo business day prior to the start of each Interest Period if NIBOR, first day of each Interest Period if HKD-HIBOR, first day of each Interest Period if AUD-BBR-BBSW and first day of each Interest Period if CDOR)</i> |
| <input type="checkbox"/> | Relevant Screen Page: | | [•]
<i>(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)</i> |
| (viii) | ISDA Determination: | | [Applicable/Not Applicable] |
| <input type="checkbox"/> | Floating Rate Option: | | [•] |
| <input type="checkbox"/> | Designated Maturity: | | [•] |
| <input type="checkbox"/> | Reset Date: | | [•] |
| (ix) | Linear Interpolation: | | [Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (<i>specify for each short or long interest period</i>)] |
| (x) | Margin(s): | | [+/-][•] per cent. per annum |

- | | | | |
|--------|---------------------|---------|---|
| (xi) | Minimum Interest: | Rate of | [•] per cent. per annum |
| (xii) | Maximum Interest: | Rate of | [•] per cent. per annum |
| (xiii) | Day Count Fraction: | | [Actual/Actual (ISDA)][Actual/Actual (ICMA)]
[Actual/365 (Fixed)]
[Actual/365 (Sterling)]
[Actual/360]
[30/360][360/360][Bond Basis]
[30E/360][Eurobond Basis]
[30E/360 (ISDA)] |

16. Zero Coupon Note Provisions [Applicable/Not Applicable] *(If not applicable, delete the remaining sub paragraphs of this paragraph)*

- | | | |
|-------|---|--|
| (i) | [Amortisation/Accrual] Yield: | [•] per cent. per annum |
| (ii) | Reference Price: | [•] |
| (iii) | Day Count Fraction in relation to Early Redemption Amounts: | [30/360]
[Actual/360]
[Actual/365] |

PROVISIONS RELATING TO REDEMPTION

17. Call Option [Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*

- | | | |
|-------|---|-----------------------------|
| (i) | Optional Redemption Date(s): | [•] |
| (ii) | Optional Redemption Amount(s) of each Note: | [•] per Calculation Amount |
| (iii) | If redeemable in part: | [Applicable/Not Applicable] |
| (a) | Minimum Redemption Amount: | [•] |
| (b) | Maximum Redemption Amount: | [•] |
| (iv) | Notice period (if other than as set out in the Conditions): | [•] |

18. Put Option [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)

(If the Notes are expected to count towards the requirements for own funds and eligible liabilities under the BRRD, "Not Applicable" should be specified)

- | | | |
|-----|------------------------------|-----|
| (i) | Optional Redemption Date(s): | [•] |
|-----|------------------------------|-----|

- (ii) Optional Redemption Amount(s) of each Note: [•] per Calculation Amount
- (iii) Notice period (if other than as set out in the Conditions): [•]
19. Final Redemption Amount of each Note [•] per Calculation Amount
20. Early Redemption Amount(s) of each Note payable on redemption [for taxation reasons or] on event of default or other early redemption [(other than Capital Event Redemption, Eligible Liabilities Event Redemption, Tax Deductibility Event Redemption or redemption of a Subordinated Note following a Withholding Tax Event)] [•] per Calculation Amount
21. Optional Redemption for Senior Preferred Notes and Senior Non-Preferred Notes: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
(Include this paragraph 21 only in the case of Senior Preferred Notes or Senior Non-Preferred Notes)
- (i) Eligible Liabilities Event Redemption [Applicable – Eligible Liabilities Event Redemption Amount: [•] per Calculation Amount *(specify the amount payable on redemption for an Eligible Liabilities Event)* / Not Applicable]
22. Optional Redemption for Subordinated Notes: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
(Include this paragraph 22 only in the case of Subordinated Notes)
- (i) Capital Event Redemption [Applicable - Capital Event Redemption Amount: [•] per Calculation Amount *(specify the amount payable on redemption for a Capital Event)* / Not Applicable]
- (ii) Tax Deductibility Event Redemption: [Applicable/Not Applicable]
- (iii) Tax Event Early Redemption Amount: [•] per Calculation Amount *(specify the amount payable on redemption for a Withholding Tax Event and, if Tax Deductibility Event Redemption is applicable, on redemption for a Tax Deductibility Event)*
23. Variation or Substitution: [Applicable – Condition 6(k) applies/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes:
- (i) Form: [Bearer Notes:

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on 60 days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]

[Temporary Global Note exchangeable for Definitive Notes on 60 days' notice]

[Permanent Global Note exchangeable for Definitive Notes on 60 days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]]

[Registered Notes:

[Registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]]

(N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)

[Notes shall not be physically delivered in Belgium, except to a clearing system, a depositary or other institution for the purposes of their immobilisation in accordance with article 4 of the Belgian Law of 14 December 2005]

(ii) New Global Note:

[Yes][No]

25. Financial Centre(s):

[Not Applicable/[•]]*[Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which paragraph 15(iv) relates]*

26. Talons for future Coupons to be attached to Definitive Notes:

[Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

THIRD PARTY INFORMATION

[[•] has been extracted from [•]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [•], no facts have been omitted which would render the reproduced inaccurate or misleading.]

Signed on behalf of the Issuer:

By
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- | | | |
|-------|---|--|
| (i) | Listing: | [Luxembourg/None] |
| (ii) | Admission to trading: | [Application has been made for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange with effect from [•].] [Not Applicable.] |
| (iii) | [Estimate of total expenses related to admission to trading:] | [•] |

2. RATINGS

- Ratings:
- [The Notes to be issued [[have been]/[are expected to be]] rated *[insert details]* by *[insert the legal name of the relevant credit rating agency entity(ies)]*.][The Notes are not expected to be rated.]
- [Insert the legal name of the relevant credit rating agency entity]* is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended).]
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*
- [Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

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

[Save for the fees [of *[insert relevant fee disclosure]*] payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business – *Amend as appropriate if there are other interests*]

4. Fixed Rate Notes only – YIELD

- Indication of yield: [•] [Not Applicable]

5. USE OF PROCEEDS AND ESTIMATED NET AMOUNT OF PROCEEDS

- | | | |
|------|-----------------------------------|---|
| (i) | Use of Proceeds: | [See “Use of Proceeds” in the Base Prospectus/Give details] |
| (ii) | Estimated net amount of proceeds: | [•] |

6. OPERATIONAL INFORMATION

- | | | |
|-----|-------|-----|
| (i) | ISIN: | [•] |
|-----|-------|-----|

- | | | |
|--------|--|---|
| (ii) | Common Code: | [•] |
| (iii) | CFI: | [[<i>include code</i>], as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available] |
| (iv) | FISN: | [[<i>include code</i>], as updated, as set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available] |
| (v) | Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): | [Not Applicable/ <i>give name(s) and number(s) [and address(es)]</i>] |
| (vi) | Delivery: | Delivery [against/free of] payment |
| (vii) | Names and addresses of additional Paying Agent(s) (if any): | [•] [Not Applicable] |
| (viii) | Intended to be held in a manner which would allow Eurosystem eligibility: | [Yes] |

[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] [*include this text for Registered Notes which are to be held under the NSS*] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] [*include this text for Registered Notes*]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the

ECB being satisfied that Eurosystem eligibility criteria have been met.]

7. GENERAL

- | | | |
|--------|---|--|
| (i) | Method of distribution: | [Syndicated/Non-syndicated] |
| (ii) | If syndicated, names of Managers: | [Not Applicable/ <i>give names</i>] |
| (iii) | Stabilisation Manager(s) (if any): | [Not Applicable/ <i>give name(s)</i>] |
| (iv) | If non-syndicated, name of relevant Dealer: | [Not Applicable/ <i>give name</i>] |
| (v) | U.S. Selling Restrictions: | [Reg. S Compliance Category [1/2]; TEFRA D/TEFRA C/TEFRA not applicable] |
| (vi) | Prohibition of Sales to EEA Retail Investors: | <p>[Applicable/Not Applicable]</p> <p><i>(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)</i></p> |
| (vii) | Prohibition of Sales to UK Retail Investors | <p>[Applicable/Not Applicable]</p> <p><i>(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the UK, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)</i></p> |
| (viii) | Prohibition of Sales to Belgian Consumers: | <p>[Applicable/Not Applicable]</p> <p><i>(N.B. advice should be taken from Belgian counsel before disapplying this selling restriction)</i></p> |

Applicable Pricing Supplement

[MiFID II PRODUCT GOVERNANCE / [PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES (ECPs) ONLY] TARGET MARKET – [Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]/[appropriate target market legend to be included.]

[UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES (ECPs) ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (**COBS**), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**UK MiFIR**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the **EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, **MiFID II**); (ii) a customer within the meaning of Directive (EU) 2016/97 (the **Insurance Distribution Directive**), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the **Prospectus Regulation**). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]⁶

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the **UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes

⁶ Legend to be included on front of the Pricing Supplement if the Notes potentially constitute “packaged” products and no key information document will be prepared in the EEA or the issuer wishes to prohibit offers to EEA retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.⁷

[NOTIFICATION UNDER SECTION 309B(1)(c) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE (the SFA) - [Insert notice if classification of the Notes is not “prescribed capital markets products”, pursuant to Section 309B of the SFA or 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)].⁸

Set out below is the form of Pricing Supplement which will be completed for each Tranche of Exempt Notes, whatever the denomination of those Notes, issued under the Programme.

THE CSSF HAS NEITHER APPROVED NOR REVIEWED THIS PRICING SUPPLEMENT.

[Date]

LÄNSFÖRSÄKRINGAR BANK AB (PUBL)

Legal entity identifier (LEI): 549300C6TUMDXNOVXS82

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the EUR 4,000,000,000
Euro Medium Term Note Programme**

PART A – CONTRACTUAL TERMS

[Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to either Article 3 of the Prospectus Regulation or section 85 of the Financial Services and Markets Act 2000 or to supplement a prospectus pursuant to either Article 23 of the Prospectus Regulation or Article 23 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA, in each case, in relation to such offer.]⁹

This document constitutes the Pricing Supplement for the Notes described herein. This document must be read in conjunction with the Base Prospectus dated 30 March 2021 [as supplemented by the supplement[s] dated [date[s]]] (the **Base Prospectus**). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. Copies of the Base Prospectus may be obtained from [address].

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Base Prospectus. Any reference in the Conditions to “relevant Final Terms” shall be deemed to include a reference to “relevant Pricing Supplement”, where relevant.

[Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement.]

[If the Notes have a maturity of less than one year from the date of their issue, the minimum denomination [must/may need to] be £100,000 or its equivalent in any other currency.]

- | | | |
|----|----------------------|---------------------------------|
| 1. | Issuer: | Länsförsäkringar Bank AB (publ) |
| 2. | (i) Series Number: | [•] |
| | (ii) Tranche Number: | [•] |

⁷ Legend to be included on front of the Pricing Supplement if the Notes potentially constitute “packaged” products and no key information document will be prepared in the UK or the issuer wishes to prohibit offers to UK retail investors for any other reason, in which case the selling restriction should be specified to be “Applicable”.

⁸ Relevant Manager(s)/Dealer(s) to consider whether it / they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA.

- (iii) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with [*identify earlier Tranches*] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 25 below, which is expected to occur on or about [*date*]] [Not Applicable]
3. Specified Currency or Currencies: [•]
4. Aggregate Nominal Amount:
- (i) Series: [•]
- (ii) Tranche: [•]
5. Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
6. (i) Specified Denominations: [•]
- (ii) Calculation Amount: [•]
(*Applicable to Notes in definitive form.*)
- (*If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.*)
7. (i) Issue Date: [•]
- (ii) Interest Commencement Date: [*specify*/Issue Date/Not Applicable]
- (*N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.*)
8. Maturity Date: [*Fixed rate – specify date/*
*Floating rate – Interest Payment Date falling in or nearest to [*specify month and year*]]*
9. Interest Basis: [[•] per cent. Fixed Rate]
[Fixed Reset Notes]
[[*specify Reference Rate*] +/- [•] per cent. Floating Rate]
[Zero Coupon]
[*specify other*]
(further particulars specified below)
10. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [•] per cent. of their nominal amount

11. Change of Interest Basis or Redemption Basis: [Specify details of any provision for change of Notes into another Interest Basis or Redemption Basis][Not Applicable]
12. Put/Call Options: [Not Applicable]
[Investor Put]
[Issuer Call]
[Capital Event Redemption]
[Eligible Liabilities Event Redemption]
[Tax Deductibility Event Redemption]
[(further particulars specified below)]
13. (i) Status of the Notes: [Senior Preferred Notes / Senior Non-Preferred Notes / Subordinated Notes]
- (ii) Date Board approval of Notes obtained: [•] [Not Applicable]
- (N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Rate(s) of Interest: [•] per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [•] in each year up to and including the Maturity Date
- (N.B. Amend appropriately in the case of irregular coupons)
- (iii) Fixed Coupon Amount(s): (Applicable to Notes in definitive form.) [•] per Calculation Amount
- (iv) Broken Amount(s): ([Applicable to Notes in definitive form.]) [[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]] [Not Applicable]
- (v) Day Count Fraction: [30/360/Actual/Actual (ICMA)/specify other]
- (vi) Determination Date(s): [[•] in each year][Not Applicable]
- (Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes which are Exempt Notes: [None/Give details]
15. Fixed Reset Note Provisions [Applicable/Not Applicable]

		<i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Initial Interest Rate:	[] per cent. per annum [payable [annually/semi-annually/quarterly] in arrear on each Interest Payment Date]
(ii)	Interest Payment Date(s):	[[] in each year up to and including the Maturity Date]
(iii)	Fixed Coupon Amount to (but excluding) the First Reset Date: <i>(Applicable to Notes in definitive form)</i>	[[] per Calculation Amount/Not Applicable]
(iv)	Broken Amount(s): <i>(Applicable to Notes in definitive form)</i>	[[] per Calculation Amount payable on the Interest Payment Date falling [in/on] []][Not Applicable]
(v)	Day Count Fraction:	[30/360] [Actual/Actual (ICMA/ISDA)/specify other]
(vi)	Determination Date(s):	[[] in each year][Not Applicable]
(vii)	First Reset Date:	[]
(viii)	Second Reset Date:	[]/[Not Applicable]
(ix)	Subsequent Reset Date(s):	[] [and []][Not Applicable]
(x)	Reset Margin:	[+/-][] per cent. per annum
(xi)	Relevant Swap Screen Page:	[]
(xii)	Floating Leg Reference Rate:	[]
(xiii)	Floating Leg Screen Page:	[]
(xiv)	Initial Mid-Swap Rate:	[] per cent. per annum (quoted on [an annual/a semi-annual] basis)
(xv)	Other terms relating to the method of calculating interest for Fixed Reset Notes which are Exempt Notes:	[None/give details]
16. Floating Rate Note Provisions		[Applicable/Not Applicable]
		<i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Specified Period(s):	[•]
(ii)	Specified Interest Payment Dates:	[•] [, subject to adjustment in accordance with the Business Day Convention set out in (iii) below/, not subject to adjustment, as the Business Day

- Convention in (iii) below is specified to be Not Applicable]
- (iii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention/[*specify other*]] [Not Applicable]
- (iv) Business Centre(s): [•]
- (v) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/*specify other*]
- (vi) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Calculation Agent): [•] [Not Applicable]
- (vii) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: Reference Rate: [•] month [LIBOR/EURIBOR/STIBOR/NIBOR/HKD-HIBOR/AUD-BBR-BBSW/CDOR/*specify other Reference Rate*].

(*Either LIBOR, EURIBOR, STIBOR, NIBOR, HKD-HIBOR, AUD-BBR-BBSW, CDOR or other, although additional information is required if other – including fallback provisions in the Agency Agreement*)
 - Interest Determination Date(s): [•]

(*Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR, second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR, second Stockholm business day prior to the start of each Interest Period if STIBOR, the second Oslo business day prior to the start of each Interest Period if NIBOR, first day of each Interest Period if HKD-HIBOR, first day of each Interest Period if AUD-BBR-BBSW and first day of each Interest Period if CDOR*)
 - Relevant Screen Page: [•]

(*In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)
- (viii) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [•]

- Designated Maturity: [•]
- Reset Date: [•]
(In the case of a LIBOR or EURIBOR based option, the first day of the Interest Period)
- (ix) Linear Interpolation: [Not Applicable/Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)]
- (x) Margin(s): [+/–] [•] per cent. per annum
- (xi) Minimum Rate of Interest: [•] per cent. per annum
- (xii) Maximum Rate of Interest: [•] per cent. per annum
- (xiii) Day Count Fraction: [Actual/Actual (ISDA)][Actual/Actual] Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
[30/360][360/360][Bond Basis]
[30E/360][Eurobond Basis]
30E/360 (ISDA)
[Other]
- (xiv) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes which are Exempt Notes, if different from those set out in the Conditions: [•]

17. Zero Coupon Note Provisions [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) [Amortisation/Accrual] Yield: [•] per cent. per annum
- (ii) Reference Price: [•]
- (iii) Any other formula/basis of determining amount payable for Zero Coupon Notes which are Exempt Notes: [•]
- (iv) Day Count Fraction in relation to Early Redemption Amounts: [30/360]
[Actual/360]
[Actual/365]

PROVISIONS RELATING TO REDEMPTION

18. Call Option: [Applicable/Not Applicable]

		<i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Optional Redemption Date(s):	[•]
(ii)	Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[•] per Calculation Amount/specify other/see Appendix]
(iii)	If redeemable in part:	[Applicable/Not Applicable]
	(a) Minimum Redemption Amount:	[•]
	(b) Maximum Redemption Amount:	[•]
(iv)	Notice period (if other than as set out in the Conditions):	[•]
		<i>(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)</i>
19.	Put Option:	[Applicable/Not Applicable]
		<i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
		<i>(If the Notes are expected to count towards the requirements for own funds and eligible liabilities under the BRRD, "Not Applicable" should be specified)</i>
(i)	Optional Redemption Date(s):	[•]
(ii)	Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[•] per Calculation Amount/specify other/see Appendix]
(iii)	Notice period (if other than as set out in the Conditions):	[•]
		<i>(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 business days' notice for a put)</i>

- and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent [or Trustee])*
- 20.** Final Redemption Amount: [[•] per Calculation Amount/specify other/see Appendix]
- 21.** Early Redemption Amount(s) of each Note payable on redemption [for taxation reasons or] on event of default or other early redemption [(other than Capital Event Redemption, Eligible Liabilities Event Redemption, Tax Deductibility Event Redemption or redemption of a Subordinated Note following a Withholding Tax Event)]: [[•] per Calculation Amount/specify other/see Appendix]
- 22.** Optional Redemption for Senior Preferred Notes or Senior Non-Preferred Notes: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)

(Include this paragraph 22 only in the case of Senior Preferred Notes or Senior Non-Preferred Notes)
- (i) Eligible Liabilities Event Redemption [Applicable – Eligible Liabilities Event Redemption Amount: [•] per Calculation Amount *(specify the amount payable on redemption for an Eligible Liabilities Event)* / Not Applicable]
- 23.** Optional Redemption for Subordinated Notes: [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)

(Include this paragraph 23 only in the case of Subordinated Notes)
- (i) Capital Event Redemption [Applicable - Capital Event Redemption Amount: [•] per Calculation Amount *(specify the amount payable on redemption for a Capital Event)* / Not Applicable]
- (ii) Tax Deductibility Event Redemption: [Applicable/Not Applicable]
- (iii) Tax Event Early Redemption Amount: [•] per Calculation Amount *(specify the amount payable on redemption for a Withholding Tax Event and, if Tax Deductibility Event Redemption is applicable, on redemption for a Tax Deductibility Event)*
- 24.** Variation or Substitution: [Applicable – Condition 6(k) applies/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 25.** Form of Notes:
- (i) Form: [Bearer Notes:

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice/at any

- time/in the limited circumstances specified in the Permanent Global Note]]
- [Temporary Global Note exchangeable for Definitive Notes on [•] days' notice]
- [Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice/at any time/ in the limited circumstances specified in the Permanent Global Note]]
- [Registered Notes:
- [Registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]]
- [Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian law of 14 December 2005]
- (ii) New Global Note: [Yes][No]
26. Financial Centre(s): [Not Applicable/give details]
- (Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraph 16(iv) relates)
27. Talons for future Coupons to be attached to Definitive Notes: [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]
28. Other final terms: [Not Applicable/give details]

RESPONSIBILITY

The Issuer accept[s] responsibility for the information contained in this Pricing Supplement. [[*Relevant third party information*] has been extracted from [*specify source*]]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

By

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

[Application [has been made/is expected to be made] by the Issuer (or on its behalf) for the Notes to be listed on [specify market – note this should not be an EEA regulated market or the London Stock Exchange's main market] with effect from [].] [Not Applicable]

2. RATINGS

Ratings:

[The Notes to be issued [[have been]/[are expected to be]] rated [insert details] by [insert the legal name of the relevant credit rating agency]. [The Notes are not expected to be rated]

(The above disclosure is only required if the ratings of the Notes are different to those stated in the Base Prospectus)

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for the fees [of [insert relevant fee disclosure]] payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business – Amend as appropriate if there are other interests]

4. YIELD – Fixed rate Notes only

Indication of yield: [•] [Not Applicable]

5. OPERATIONAL INFORMATION

- | | | |
|-------|--|--|
| (i) | ISIN: | [•] |
| (ii) | Common Code: | [•] |
| (iii) | CFI: | [[See/[include code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available] |
| (iv) | FISN: | [[See/[include code], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available] |
| (v) | Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): | [Not Applicable/give name(s) and number(s)] |

- | | | |
|--------|---|---|
| (vi) | Delivery: | Delivery [against/free of] payment |
| (vii) | Names and addresses of additional Paying Agent(s) (if any): | [*] [Not Applicable] |
| (viii) | Intended to be held in a manner which would allow Eurosystem eligibility: | <p>[Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)] <i>[include this text for Registered Notes which are to be held under the NSS]</i> and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]</p> <p>[No. Whilst the designation is specified as “no” at the date of this Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)] <i>[include this text for Registered Notes]</i>. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]</p> |

6. GENERAL

- | | | |
|-------|--|---|
| (i) | Method of distribution: | [Syndicated/Non-syndicated] |
| (ii) | If syndicated, names of Managers: | [Not Applicable/ <i>give names</i>] |
| (iii) | Stabilisation Manager(s) (if any): | [Not Applicable/ <i>give name(s)</i>] |
| (iv) | If non-syndicated, name of relevant Dealer: | [Not Applicable/ <i>give name</i>] |
| (v) | U.S. Selling Restrictions: | Reg. S Compliance Category [1/2]; [TEFRA D/TEFRA C/TEFRA not applicable] |
| (vi) | Additional United States selling restrictions: | <p>[Not Applicable/<i>give details</i>]</p> <p><i>(Additional selling restrictions are only likely to be relevant for certain structured Notes, such as commodity-linked Notes)</i></p> |

- (vii) Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the EEA, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)
- (viii) Prohibition of Sales to UK Retail Investors [Applicable/Not Applicable]
(If the Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared in the UK, “Not Applicable” should be specified. If the Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified.)
- (ix) Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]
(N.B. advice should be taken from Belgian counsel before disapplying this selling restriction)

Terms and Conditions of the Notes

*The following is the text of the terms and conditions that, subject to completion and, in relation to Exempt Notes only, amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Final Terms or relevant Pricing Supplement, as the case may be, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or Pricing Supplement, as the case may be, or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms or relevant Pricing Supplement, as the case may be. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to **Notes** are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

The Notes are constituted by an Amended and Restated Trust Deed dated 30 March 2021 (as amended, supplemented and/or restated as at the date of issue of the Notes (the **Issue Date**), the **Trust Deed**) between the Issuer and Citicorp Trustee Company Limited (the **Trustee**, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Coupons and Talons referred to below. An Amended and Restated Agency Agreement dated 30 March 2021 (as amended, supplemented and/or restated as at the Issue Date, the **Agency Agreement**) has been entered into in relation to the Notes between the Issuer, the Trustee, Citibank, N.A., London Branch as initial issuing and paying agent and the other agents named in it. The issuing and paying agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the **Issuing and Paying Agent**, the **Paying Agents** (which expression shall include the Issuing and Paying Agent), the **Registrar**, the **Transfer Agents** (which expression shall include the Registrar) and the **Calculation Agent(s)**. Copies of the relevant Final Terms (as defined below), the Trust Deed and the Agency Agreement (i) are available for inspection or collection during usual business hours at the principal office of the Trustee (at 30 March 2021 at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB) and at the specified offices of the Paying Agents and the Transfer Agents or (ii) may be provided by email to a Noteholder requesting a copy, subject to the Trustee, the Paying Agents or the Transfer Agent (as relevant) being supplied by the Issuer with electronic copies and provision of proof of holding and identity (in a form satisfactory to the Trustee, the relevant Paying Agent or the Transfer Agent, as the case may be).

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms (or Pricing Supplement, in the case of Exempt Notes) attached to or endorsed on this Note which complete these Terms and Conditions (the **Conditions**) and, in the case of a Note which is neither admitted to trading on (i) a regulated market in the European Economic Area or (ii) a UK regulated market as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, nor offered in (i) the European Economic Area or (ii) the United Kingdom in circumstances where a prospectus is required to be published under the Prospectus Regulation or the Financial Services and Markets Act 2000, as the case may be (an **Exempt Note**), may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Note. References to the **relevant Final Terms** are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note. Any reference in the Conditions to **relevant Final Terms** shall be deemed to include a reference to **relevant Pricing Supplement** where relevant. The expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

The Noteholders, the holders of the interest coupons (the **Coupons**) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes and talons for further Coupons (the **Talons**) (the **Couponholders**), are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the relevant Final Terms and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

1. FORM, DENOMINATION AND TITLE

The Notes are issued in bearer form (**Bearer Notes**, which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form (**Registered Notes**) or in bearer form exchangeable for Registered Notes (**Exchangeable Bearer Notes**) in each case in the Specified Denomination(s) shown hereon provided that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Regulation, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

All Registered Notes shall have the same Specified Denomination. Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall have the same Specified Denomination as the lowest denomination of Exchangeable Bearer Notes.

This Note is a Fixed Rate Note, a Fixed Reset Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption Basis shown hereon. This Note is a Senior Preferred Note, a Senior Non-Preferred Note or a Subordinated Note as specified hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

Registered Notes are represented by registered certificates (**Certificates**) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the **Register**). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, **Noteholder** means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), **holder** (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon or in the Trust Deed, as the case may be, the absence of any such meaning indicating that such term is not applicable to the Notes.

2. EXCHANGES OF EXCHANGEABLE BEARER NOTES AND TRANSFERS OF REGISTERED NOTES

- (a) Exchange of Exchangeable Bearer Notes: Subject as provided in Condition 2(f), Exchangeable Bearer Notes may be exchanged for the same nominal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Coupons and Talons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 7(b)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.
- (b) Transfer of Registered Notes: One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate

representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available free of charge by the Registrar and at the specified office of the Paying Agent in Luxembourg to any Noteholder upon request.

- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(a), (b) or (c) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), **business day** means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).
- (e) **Exchange Free of Charge:** Exchange and transfer of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days ending on the due date for redemption of that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

3. STATUS

The relevant Final Terms will indicate whether the Notes are Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes.

- (a) **Status of Senior Preferred Notes:** The Senior Preferred Notes (being those Notes that specify their status as Senior Preferred Notes) and the Coupons relating to them constitute unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. In the event of the voluntary or involuntary liquidation (*likvidation*) or bankruptcy (*konkurs*) of the Issuer, the rights of the holders to payment on or in respect of the Senior Preferred Notes and the Coupons relating to them shall rank:
- (1) subject to the provisions of applicable legislation, at least equally with the claims of creditors on or in respect of all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future (including Senior Preferred Obligations); and
 - (2) in priority to the claims of creditors on or in respect of any Senior Non-Preferred Obligations.
- (b) **Status of Senior Non-Preferred Notes:** The Senior Non-Preferred Notes (being those Notes that specify their status as Senior Non-Preferred Notes) and the Coupons relating to them constitute unsecured obligations of the Issuer with Senior Non-Preferred Ranking and shall at all times rank *pari passu* and without any preference among themselves. In the event of the voluntary or involuntary liquidation (*likvidation*) or bankruptcy (*konkurs*) of the Issuer, the rights of holders to payment on or in respect of the Senior Non-Preferred Notes and the Coupons relating to them will rank:
- (1) at least *pari passu* with the claims of creditors on or in respect of all other Senior Non-Preferred Obligations;
 - (2) in priority to the claims of holders of ordinary shares of the Issuer and any subordinated obligations or other subordinated securities of the Issuer (including the Subordinated Notes); and
 - (3) junior to any present or future claims of (i) depositors of the Issuer, and (ii) creditors on or in respect of Senior Preferred Obligations.

The Issuer reserves the right to issue further notes and obligations in the future, which may rank senior to, or *pari passu* with, the Senior Non-Preferred Notes.

- (c) **Status of Subordinated Notes:** The Subordinated Notes (being those Notes that specify their status as Subordinated Notes) and the Coupons relating to them constitute subordinated and unsecured obligations of the Issuer and rank *pari passu* and without any preference among themselves. In the event of the voluntary or involuntary liquidation (*likvidation*) or bankruptcy (*konkurs*) of the Issuer, the rights of holders to payment on or in respect of the Subordinated Notes and the Coupons relating to them shall rank:
- (1) *pari passu* without any preference among themselves;
 - (2) at least *pari passu* with the rights of holders of all obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 2 Capital of the Issuer;
 - (3) senior to the rights of holders of any subordinated obligation of the Issuer which constitutes an Additional Tier 1 Instrument;
 - (4) in priority to payments to holders of all classes of share capital (including preference shares (if any)) of the Issuer in their capacity as such holders; and
 - (5) junior in right of payment to any present or future claims of (i) depositors of the Issuer, (ii) other unsubordinated creditors of the Issuer, and (iii) subordinated creditors of the Issuer whose rights are expressed to rank in priority to the holders of the Subordinated Notes.

The Issuer reserves the right to issue further notes and other obligations in the future, which may rank senior to, or *pari passu* with, the Subordinated Notes.

For the purposes of this Condition 3(c), **Tier 2 Capital** means any instrument or security of the Issuer which is recognised as Tier 2 capital (*supplementärkapital*) (as defined in Part 2 Chapter 4 of the CRR or in any other Applicable Banking Regulations, in each case as amended or replaced) of the Issuer, at the time of its issue, by the Swedish FSA.

- (d) **Waiver of set-off:** This Condition 3(d) is applicable in relation to Senior Preferred Notes, Senior Non-Preferred Notes and Subordinated Notes.

No Noteholder shall be entitled to exercise any right of set-off or counterclaim against moneys owed by the Issuer in respect of the Notes held by such Noteholder.

- (e) **Definitions:** As used herein:

Additional Tier 1 Capital means Additional Tier 1 capital as defined in Part 2 Chapter 3 of the CRR or in any other Applicable Banking Regulations, in each case as amended or replaced;

Additional Tier 1 Instrument means (i) any instrument or security of the Issuer which is recognised as Additional Tier 1 Capital of the Issuer, at the time of its issue, by the Swedish FSA, and (ii) any instrument, security or other obligation of the Issuer which ranks, or is expressed to rank, on a voluntary or involuntary liquidation (*likvidation*) or bankruptcy (*konkurs*) of the Issuer, *pari passu* with Additional Tier 1 Instruments;

Applicable Banking Regulations means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then in effect in Sweden including, without limitation to the generality of the foregoing, CRD IV, and those regulations, requirements, guidelines and policies relating to capital adequacy adopted by the Swedish FSA from time to time, and then in effect (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer);

CRD IV means, as the context requires, any or any combination of the CRD IV Directive, the CRR and any CRD IV Implementing Measures;

CRD IV Directive means Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms dated 26 June 2013 and published in the Official Journal of the European Union on 27 June 2013, as amended or replaced from time to time;

CRD IV Implementing Measures means any regulatory capital rules or regulations or other requirements, which are applicable to the Issuer and which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the regulatory capital of the Issuer (on a non-consolidated or consolidated basis) to the extent required by the CRD IV Directive or the CRR, including, for the avoidance of doubt, any regulatory technical standards released by the European Banking Authority (or any successor or replacement thereof);

CRR means Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms dated 26 June 2013 and published in the Official Journal of the European Union on 27 June 2013, as amended or replaced from time to time;

Senior Non-Preferred Obligations means all outstanding unsecured and unsubordinated obligations of the Issuer, present and future, having Senior Non-Preferred Ranking;

Senior Non-Preferred Ranking means the ranking provided to Senior Non-Preferred Obligations in the second sentence of the first sub-paragraph of section 18 of the Swedish Rights of Priority Act (*Sw. 18 § 1 st andra meningen förmånsrättslagen (1970:979)*) for claims attributable to such debt instruments as are referred to in chapter 21, section 15, paragraph 3 b of the Swedish Resolution Act (*Sw. 21 kap. 15 § 3 b lagen (2015:1016) om resolution*), as such legislative references may be amended or replaced from time to time;

Senior Preferred Obligations means all outstanding unsecured and unsubordinated obligations of the Issuer, present and future, other than Senior Non-Preferred Obligations; and

Swedish FSA means the Swedish Financial Supervisory Authority (*Finansinspektionen*) and shall include any successor or replacement thereto, or another authority which has the primary responsibility for the prudential oversight and supervision of the Issuer.

4. COVENANTS

So long as any Note is outstanding, the Issuer will ensure that the following documents will be available in the English language at the specified office of each Paying Agent and in electronic form on its official website: (i) copies of its annual report and audited consolidated financial statements in respect of its latest fiscal year within 120 days following the end of such fiscal year; and (ii) copies of its latest published unaudited interim consolidated financial statements within 60 days following the end of such interim period.

5. INTEREST AND OTHER CALCULATIONS

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date in each year up to (and including) the Maturity Date.

If a Fixed Coupon Amount or a Broken Amount is specified hereon, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified hereon.

- (b) **Interest on Fixed Reset Notes:** Each Fixed Reset Note bears interest:

- (1) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the rate per annum (expressed as a percentage) equal to the Initial Interest Rate;
- (2) from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if none, the Maturity Date (the **First Reset Period**) at the rate per annum equal to the First Reset Rate; and
- (3) if applicable, from (and including) the Second Reset Date to (but excluding) the first Subsequent Reset Date (if any), and each successive period from (and including) any Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date (if any) (each a **Subsequent Reset Period**) at the rate per annum equal to the relevant Subsequent Reset Rate,

(in each case rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) (each a **Rate of Interest**) such interest being payable, in each case, in arrear on the Interest Payment Date(s) in each year up to and including the Maturity Date.

The provisions of this Condition 5 shall apply, as applicable, in respect of any determination by the Issuing and Paying Agent or Calculation Agent, as applicable, of the Rate of Interest for a Reset Period in accordance with this Condition 5(b) as if the Fixed Reset Notes were Floating Rate Notes. The Rate of Interest for each Reset Period shall otherwise be determined by the Issuing and Paying Agent or the Calculation Agent, as applicable, on the relevant Reset Determination Date in accordance with the provisions of this Condition 5(b). Once the Rate of Interest is determined for a Reset Period, the provisions of Condition 5(a) shall apply to Fixed Reset Notes, as applicable, as if the Fixed Reset Notes were Fixed Rate Notes.

- (c) **Interest on Floating Rate Notes**

- (i) **Interest Payment Dates:** Each Floating Rate Note bears interest from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date

or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub paragraph (A), **ISDA Rate** for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon;
- (y) the Designated Maturity is a period specified hereon; and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), **Floating Rate, Calculation Agent, Floating Rate Option, Designated Maturity, Reset Date and Swap Transaction** have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page (or each replacement page on that service which displays the information) as at either 10.00 a.m. (Toronto time in the case of CDOR), 10.10 a.m. (Sydney time in the case of AUD-BBR-BBSW),

11.00 a.m. (London time in the case of LIBOR, Brussels time in the case of EURIBOR, Stockholm time in the case of STIBOR or Hong Kong time in the case of HKD-HIBOR) or 12.00 noon (Oslo time in the case of NIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR, EURIBOR, STIBOR, NIBOR, HKD-HIBOR, AUD-BBR-BBSW or CDOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

- (y) If the Relevant Screen Page is not available or if sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, or, if the Reference Rate is STIBOR, the principal Stockholm office of each of the Reference Banks or, if the Reference Rate is NIBOR, the principal Norwegian office of each of the Reference Banks or, if the Reference Rate is HKD-HIBOR, the principal Hong Kong office of each of the Reference Banks, or if the Reference Rate is AUD-BBR-BBSW, the principal office of each of the Reference Banks, or if the Reference Rate is CDOR, the principal Toronto office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is STIBOR, at approximately 11.00 a.m. (Stockholm time), or if the Reference Rate is NIBOR, at approximately 12.00 noon (Oslo time), or if the Reference Rate is HKD-HIBOR, at approximately 11.00 a.m. (Hong Kong time), or if the Reference Rate is AUD-BBR-BBSW, at approximately 10.00 a.m. (Sydney time), or if the Reference Rate is CDOR, at approximately 10.00 a.m. (Toronto time) on the Interest Determination Date in question. If two (or five, in the case of AUD-BBR-BBSW) or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than the specified number of Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be (1) (if the Reference Rate is either LIBOR, EURIBOR, STIBOR or NIBOR) the arithmetic

mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is STIBOR, at approximately 11.00 a.m. (Stockholm time) or, if the Reference Rate is NIBOR, at approximately 12.00 noon (Oslo time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, or, if the Reference Rate is STIBOR, the Stockholm inter-bank market, or, if the Reference Rate is NIBOR, the Norwegian inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is STIBOR, at approximately 11.00 a.m. (Stockholm time), or, if the Reference Rate is NIBOR, at approximately 12.00 noon (Oslo time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Trustee and the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is STIBOR, the Stockholm inter-bank market or, if the Reference Rate is NIBOR, the Norwegian inter-bank market, (2) (if the Reference Rate is AUD-BBR-BBSW) the rate shall then be determined by the Calculation Agent having regard to the comparable indices then available, (3) (if the Reference Rate is CDOR) the arithmetic mean of the bid rates as communicated to (and at the request of) the Calculation Agent by Schedule 1 chartered banks in Toronto, for Canadian Dollar bankers acceptances for a period of the applicable Interest Period in an amount representative for a single transaction in the relevant market at the relevant time accepted by those banks as of 10:00 a.m. Toronto time; and (4) in the case of HKD-HIBOR, the arithmetic mean of the quotations as communicated to (and at the request of) the Calculation Agent by major banks in Hong Kong, for loans in Hong Kong Dollars to leading European banks for a period of the applicable maturity as at approximately 11:00 a.m. Hong Kong time, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Rate Multiplier or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period

from that which applied to the last preceding Interest Accrual Period, the Margin, Rate Multiplier or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin, Rate Multiplier or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

- (d) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).
- (e) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).
- (f) **Margin, Maximum/Minimum Rates of Interest, Redemption Amounts, Rate Multipliers and Rounding:**
 - (i) If any Margin or Rate Multiplier is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.
 - (ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified hereon, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
 - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes **unit** means the lowest amount of such currency that is available as legal tender in the country of such currency.
- (g) **Calculations:** Unless an Interest Amount (or a formula for its calculation) is specified in respect of any period, the amount of interest payable in respect of any Note for such period shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency (half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention). Where the Specified Denomination of a Note comprises more than one Calculation Amount, the amount of interest payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding. Where an Interest Amount is specified in respect of any period, the amount of interest payable in respect of such Note for such period shall equal such Interest Amount. Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.
- (h) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Capital Event Redemption Amount, Eligible Liabilities Event Early Redemption Amount and Tax Event**

Early Redemption Amount: The Calculation Agent shall, as soon as practicable on each Interest Determination Date or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Capital Event Redemption Amount, Eligible Liabilities Event Early Redemption Amount, Tax Event Early Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Capital Event Redemption Amount, Eligible Liabilities Event Early Redemption Amount, Tax Event Early Redemption Amount or any Optional Redemption Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (i) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

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

- (i) 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
- (ii) in the case of an Alternative Rate or (where (i) above does not apply) in the case of a Successor Rate, the Independent Adviser determines is acknowledged or recognised as being in customary market usage in international debt capital markets 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
- (iii) (if the Independent Adviser determines that neither (i) nor (ii) above applies) the Independent Adviser determines to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be).

Alternative Rate means an alternative to the Original Reference Rate which the Independent Adviser determines in accordance with Condition 5(l)(ii) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) for debt securities

in the same Specified Currency as the Notes and (i) in the case of Notes which are Floating Rate Notes, with an interest period of comparable duration to the relevant Interest Period or (ii) in the case of Notes which are Fixed Reset Notes, with an interest period of comparable duration to the term of the relevant Floating Leg Reference Rate, or (in either case) if the Independent Adviser determines that there is no such rate, such other rate as the Independent Adviser determines in its sole discretion is most comparable to the Original Reference Rate.

Benchmark Amendments has the meaning given to it in Condition 5(l)(iv).

Benchmark Events means, with respect to an Original Reference Rate:

- (i) the Original Reference Rate ceasing to be published for at least five Business Days or ceasing to exist or be administered; or
- (ii) the later of (A) the making of a public statement by 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 (B) the date falling six months prior to the specified date referred to in (ii)(A); or
- (iii) 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; or
- (iv) the later of (A) 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 (B) the date falling six months prior to the specified date referred to in (iv)(A); or
- (v) the later of (A) 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 (B) the date falling six months prior to the specified date referred to in (v)(A); or
- (vi) it has or will prior to the next Interest Determination Date or Reset Determination Date, as applicable, become unlawful for the Issuer, the Issuing and Paying Agent, the Calculation Agent or any other Paying Agent to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate; or
- (vii) the making of a public statement by the supervisor of the administrator of such Original Reference Rate announcing that such Original Reference Rate is no longer representative or may no longer be used.

Business Day means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of euro and/or if TARGET2 System is specified as a Business Centre hereon, a day on which the TARGET2 system is operating (a **TARGET2 Business Day**); and/or
- (iii) in the case of a currency and/or one or more Business Centres (other than the TARGET2 System) a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

Day Count Fraction means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the **Calculation Period**):

- (i) if **Actual/365** or **Actual/Actual (ISDA)** is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if **Actual/365 (Fixed)** is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if **Actual/365 (Sterling)** is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366
- (iv) if **Actual/360** is specified hereon, the actual number of days in the Calculation Period divided by 360
- (v) if **30/360, 360/360** or **Bond Basis** is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1) + 30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

where:

Y1 is the year, expressed as a number, in which the first day of the Calculation Period falls

Y2 is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls

M1 is the calendar month, expressed as a number, in which the first day of the Calculation Period falls

M2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls

D1 is the first calendar day, expressed as a number, of the Calculation Period, unless such number is 31, in which case D1 will be 30 and

D2 is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30

- (vi) if **30E/360** or **Eurobond Basis** is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1) + 30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

where:

Y1 is the year, expressed as a number, in which the first day of the Calculation Period falls

Y2 is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls

M1 is the calendar month, expressed as a number, in which the first day of the Calculation Period falls

M2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls

D1 is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30

D2 is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30

- (vii) if **30E/360 (ISDA)** is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1) + 30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

where:

Y1 is the year, expressed as a number, in which the first day of the Calculation Period falls

Y2 is the year, expressed as a number, in which the day immediately following the last day of the Calculation Period falls

M1 is the calendar month, expressed as a number, in which the first day of the Calculation Period falls

M2 is the calendar month, expressed as a number, in which the day immediately following the last day of the Calculation Period falls

D1 is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30 and

D2 is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30

- (viii) if **Actual/Actual (ICMA)** is specified hereon,

- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

Determination Period means the period from and including a Determination Date in any year to but excluding the next Determination Date and

Determination Date means the date specified as such hereon or, if none is so specified, the Interest Payment Date

Euro-zone means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty on the Functioning of the European Union, as amended.

First Reset Date means the date specified as such hereon.

First Reset Rate means the sum of the Reset Margin and the Mid-Swap Rate for the First Reset Period.

Floating Leg Reference Rate means the rate specified as such hereon.

Floating Leg Screen Page means such page, section, caption, column or other part of a particular information service as may be specified hereon.

Independent Adviser means an independent financial institution of international repute or an independent financial adviser with appropriate expertise in the international debt capital markets appointed by the Issuer, at its own expense, under Condition 5(l)(i).

Initial Interest Rate means the rate specified as such hereon.

Interest Accrual Period means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

Interest Amount means the amount of interest payable, and in the case of Fixed Rate Notes or Fixed Reset Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be.

Interest Commencement Date means the Issue Date or such other date as may be specified hereon.

Interest Determination Date means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET2 Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

Interest Period means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date (or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date) and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date (or the relevant payment date if the Notes become payable on a date other than an Interest Payment Date).

Interest Period Date means each Interest Payment Date and, if the Notes become payable on a date other than an Interest Payment Date, the relevant payment date, in each case unless otherwise specified hereon.

ISDA Definitions means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

Mid-Swap Rate means, in relation to a Reset Date and the Reset Period commencing on that Reset Date, the rate for the Reset Date of, in the case of semi-annual or annual Interest Payment Dates, the semi-annual or annual swap rate, respectively (with such semi-annual swap rate to be converted to a quarterly rate in accordance with market convention, in the case of quarterly Interest Payment Dates) for swap transactions in the Specified Currency maturing on the last day of such Reset Period, expressed as a percentage, which appears on the Relevant Swap Screen Page as of approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date. If such rate does not appear on the Relevant Swap Screen Page, the Mid-Swap Rate for the Reset Date will be the Reset Reference Bank Rate for the Reset Period.

Original Reference Rate means the originally-specified Reference Rate used to determine the relevant Rate of Interest (or any component part thereof) in respect of any Interest Period(s) or Reset Period(s) (provided that if, following one or more Benchmark Events, such originally specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it)

has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term "Original Reference Rate" shall include any such Successor Rate or Alternative Rate).

Rate of Interest means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

Reference Banks means in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, and, in the case of a determination of STIBOR, the principal Stockholm office of four major banks in the Stockholm inter-bank market and, in the case of a determination of NIBOR, the principal Oslo office of four major banks in the Oslo inter-bank market and, in the case of a determination of HKD-HIBOR, the principal Hong Kong office of four major banks in the Hong Kong inter-bank market, and, in the case of a determination of AUD-BBR-BBSW, the financial institutions authorised to quote on the Reuters Screen BBSW Page, and, in the case of a determination of CDOR, four major Canadian Schedule 1 chartered banks, in each case selected by the Calculation Agent in consultation with the Issuer or as specified hereon.

Reference Rate means the rate specified as such hereon.

Relevant Nominating Body means, in respect of a Reference Rate:

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

Relevant Screen Page means such page, section, caption, column or other part of a particular information service as may be specified hereon.

Relevant Swap Screen Page means the display page on the relevant service as specified hereon or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Issuing and Paying Agent in consultation with the Issuer, for the purpose of displaying the relevant swap rates for swap transactions in the Specified Currency with an equivalent maturity to the Reset Period.

Representative Amount means an amount that is representative for a single transaction in the relevant market at the relevant time.

Reset Date means the First Reset Date, the Second Reset Date and each Subsequent Reset Date, as applicable.

Reset Determination Date means the second Business Day immediately preceding the relevant Reset Date.

Reset Period means the First Reset Period or any Subsequent Reset Period, as the case may be.

Reset Period Mid-Swap Rate Quotations means the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on the day count basis customary for fixed rate payments in the Specified Currency), of a fixed-for-floating interest rate swap transaction in the Specified Currency with a term equal to the Reset Period commencing on the Reset Date and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg (in each case calculated on the day count basis customary for floating rate payments in the Specified Currency), is equivalent to the Rate of Interest that would apply in respect of the Notes if (a) Screen Rate Determination was specified hereon as the manner

in which the Rate of Interest is to be determined, (b) the Reference Rate was the Floating Leg Reference Rate as specified hereon and (c) the Relevant Swap Screen Page was the Floating Leg Screen Page as specified hereon.

Reset Reference Bank Rate means, in relation to a Reset Date and the Reset Period commencing on that Reset Date, the percentage determined on the basis of the Reset Period Mid-Swap Rate Quotations provided by the Swap Reference Banks at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date. The Issuing and Paying Agent will request the principal office of each of the Swap Reference Banks to provide a quotation of its rate. If at least three quotations are provided, the rate for the Reset Date will be the arithmetic mean of the quotations, 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). If only two quotations are provided, it will be the arithmetic mean of the quotations provided. If only one quotation is provided, it will be the quotation provided. If no quotations are provided, the Mid-Swap Rate will be the Mid-Swap Rate for the immediately preceding Reset Period or, if none, the Initial Mid-Swap Rate as specified hereon.

Second Reset Date means the date specified as such hereon.

Specified Currency means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

Subsequent Reset Date means each date specified as such hereon.

Successor Rate means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

Swap Reference Banks means five leading swap dealers in the interbank market for swap transactions in the Specified Currency with an equivalent maturity to the Reset Period as selected by the Issuing and Paying Agent in consultation with the Issuer.

TARGET2 System means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto.

- (j) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount, Capital Event Redemption Amount, Eligible Liabilities Event Early Redemption Amount, Tax Event Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall (with the prior approval of the Trustee) appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money or swap market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.
- (k) **Linear Interpolation:** Where Linear Interpolation is specified hereon as applicable in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Issuing and Paying Agent or the Calculation Agent (as applicable) by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable hereon) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable hereon), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Issuing and Paying

Agent or the Calculation Agent (as applicable) in consultation with the Issuer shall determine such rate at such time and by reference to such sources as both determine appropriate. **Designated Maturity** means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(I) **Benchmark Discontinuation**

- (i) *Independent Adviser*: If a Benchmark Event occurs in relation to an Original Reference Rate at any time when these Conditions provide for any remaining Rate of Interest (or any component part thereof) to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser in good faith, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5(I)(ii)) and (in either case) the applicable Adjustment Spread (in accordance with Condition 5(I)(iii)) and any Benchmark Amendments (in accordance with Condition 5(I)(iv)). An Independent Adviser appointed pursuant to this Condition 5(I) shall act in good faith and in a commercially reasonable manner and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Trustee, the Issuing and Paying Agent, the Calculation Agent, any other Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 5(I).
- (ii) *Successor Rate or Alternative Rate*: If the Independent Adviser acting in good faith and in a commercially reasonable manner determines that
 - (A) there is a Successor Rate, then such Successor Rate as adjusted by the applicable Adjustment Spread (as provided in Condition 5(I)(iii)) shall subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 5(I)); or
 - (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate as adjusted by the applicable Adjustment Spread (as provided in Condition 5(I)(iii)) shall subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 5(I)).
- (iii) *Adjustment Spread*: If a Successor Rate or Alternative Rate is determined in accordance with Condition 5(I)(ii), the Independent Adviser, acting in good faith and in a commercially reasonable manner, shall determine an Adjustment Spread (which may be expressed as a specified quantum or a formula or methodology for determining the applicable Adjustment Spread (and, for the avoidance of doubt, an Adjustment Spread may be positive, negative or zero)), which Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).
- (iv) *Benchmark Amendments*: If any Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread is determined in accordance with this Condition 5(I) and the Independent Adviser, acting in good faith and in a commercially reasonable manner determines (A) that amendments to these Conditions, the Trust Deed and/or the Agency Agreement (including, without limitation, amendments to the definitions of Day Count Fraction, Business Day, or Relevant Screen Page) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread (such amendments, the **Benchmark Amendments**) and (B) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5(I)(v), without any requirement for the consent or approval of Noteholders or Couponholders, vary these Conditions, the Trust Deed and/or the Agency Agreement (as applicable) to

give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two Directors of the Issuer pursuant to Condition 5(l)(v), the Trustee shall (at the direction and expense of the Issuer), without any requirement for the consent or approval of Noteholders or Couponholders, be obliged to concur with the Issuer in using its reasonable endeavors to effect any Benchmark Amendments to these Conditions, the Trust Deed and/or the Agency Agreement (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed) and the Trustee shall not be liable to any party for any consequences thereof, provided that the Trustee shall not be obliged so to concur if in the reasonable opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce rights and/or the protective provisions afforded to the Trustee in these Conditions, the Agency Agreement or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

Notwithstanding any other provision of this Condition 5(l), no Successor Rate, Alternative Rate or Adjustment Spread will be adopted, nor will any other amendment to these Conditions be made to effect the Benchmark Amendments, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to:

- (A) prejudice the qualification of the Notes as (I) in the case of Subordinated Notes, Tier 2 Capital (as defined in Condition 6(h)) of the Issuer and/or (II) in the case of Senior Preferred Notes or Senior Non-Preferred Notes, eligible liabilities (or any equivalent or successor term) for the purposes of Applicable Banking Regulations (as defined in Condition 3(e)); and/or
 - (B) in the case of Senior Preferred Notes or Senior Non-Preferred Notes, result in the Relevant Regulator (as defined in Condition 6(j)) treating the next Interest Payment Date or Reset Date, as applicable, as the effective maturity of the Notes, rather than the relevant Maturity Date.
- (v) *Notices, etc:* The Issuer will notify the Trustee, the Issuing and Paying Agent, the Calculation Agent, the other Paying Agents and, in accordance with Condition 16, the Noteholders and Couponholders promptly of any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 5(l). Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any. No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer:
 - (A) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of any Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 5(l); and
 - (B) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without inquiry and without liability to any person) as sufficient evidence thereof. For the avoidance of doubt, the Trustee shall not be liable to the Noteholders and Couponholders or any other person, for so acting or relying on such certificate, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person. The Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread and the Benchmark Amendments (if

any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Issuing and Paying Agent, the Calculation Agent, the other Paying Agents and the Noteholders and Couponholders as of their effective date.

- (vi) *Survival of Original Reference Rate:* Without prejudice to the obligations of the Issuer under the provisions of this Condition 5(l), the Original Reference Rate and the fallback provisions provided for in Condition 5(c)(iii)(B) will continue to apply unless and until a Benchmark Event has occurred.
- (vii) *Fallbacks:* If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the relevant Interest Determination Date or an applicable Reset Rate on the relevant Reset Determination Date, as the case may be, no Successor Rate or Alternative Rate (as applicable) and (in either case) the applicable Adjustment Spread is determined and notified to the Trustee, the Issuing and Paying Agent, the Calculation Agent or the other Paying Agents (as applicable), in each case pursuant to this Condition 5(l), prior to such Interest Determination Date or Reset Determination Date (as applicable), the Original Reference Rate will continue to apply for the purposes of determining such Rate of Interest on such Interest Determination Date or such Reset Rate on such Reset Determination Date (as applicable), with the effect that the fallback provisions provided for in Condition 5(c)(iii)(B) will (if applicable) continue to apply to such determination. For the avoidance of doubt, this Condition 5(l)(vii) shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date or of the Reset Rate on the relevant Reset Determination Date (as applicable) only, and the Rate of Interest applicable to any subsequent Interest Period(s) or Reset Period(s) is subject to the subsequent operation of, and to adjustment as provided in, this Condition 5(l).

6. REDEMPTION, PURCHASE AND OPTIONS

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at (i) if the Notes are not Zero Coupon Notes, 100 per cent. of its nominal amount, or (ii) if the Notes are Zero Coupon Notes, its Final Redemption Amount (which, unless otherwise provided hereon, is its nominal amount).
- (b) **Early Redemption:**
 - (i) *Zero Coupon Notes:*
 - (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
 - (B) Subject to the provisions of sub-paragraph (C) below, the **Amortised Face Amount** of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
 - (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were

the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(d). Where such calculation is to be a made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

- (ii) *Other Notes:* The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) ***Redemption for Taxation Reasons:***

- (1) This Condition 6(c)(1) is applicable only in relation to Notes specified hereon as being Senior Preferred Notes or Senior Non-Preferred Notes and references to **Notes** in this Condition 6(c)(1) shall be construed accordingly.

The Notes may, subject as provided in Condition 6(j), be redeemed at the option of the Issuer in whole, but not in part on any Interest Payment Date (if this Note is a Floating Rate Note) or at any time (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together (if appropriate) with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer satisfies the Trustee immediately before the giving of such notice that it has or will become obliged to pay additional amounts as described under Condition 8 as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Sweden or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two Directors of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out in (ii) above in which event it shall be conclusive and binding on Noteholders and Couponholders.

- (2) This Condition 6(c)(2) is applicable only in relation to Notes specified hereon as being Subordinated Notes and references to **Notes** in this Condition 6(c)(2) shall be construed accordingly.

The Issuer may, subject as provided in Condition 6(j), redeem the Notes in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Trustee and Issuing and Paying Agent and, in accordance with Condition 16, the Noteholders (which notice shall be irrevocable), at their Tax Event Early Redemption Amount, (together (if appropriate) with interest accrued to (but excluding) the date fixed for redemption), if the Issuer satisfies the Trustee immediately before the giving of such notice that:

- (A) a Withholding Tax Event has occurred; or
- (B) if Tax Deductibility Event Redemption is specified as being applicable hereon, a Tax Deductibility Event has occurred,

provided in each case that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts described in the definition of Withholding Tax Event or subject to the consequences described in the definition of Tax Deductibility Event, as applicable, were a payment in respect of the Notes then due.

A **Tax Deductibility Event** occurs (to the extent that, prior to the occurrence of the relevant Tax Law Change, the Issuer was entitled to claim a deduction in respect of its taxation liabilities in the Kingdom of Sweden in respect of any payment of interest to be made) if, as a result of a Tax Law Change, the Issuer would not be entitled to claim a deduction in respect of its taxation liabilities in the Kingdom of Sweden in respect of any payment of interest to be made on the next Interest Payment Date or the value of such deduction to the Issuer would be materially reduced.

Tax Law Change means any change in, or amendment to, the laws or regulations of the Kingdom of Sweden or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes.

A **Withholding Tax Event** occurs if, as a result of a Tax Law Change, the Issuer has or will become obliged to pay additional amounts as described under Condition 8, and such obligation cannot be avoided by the Issuer taking reasonable measures available to it.

Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee (i) a certificate signed by two Directors of the Issuer and (ii) an opinion of independent legal advisers of recognised standing and acceptable to the Trustee, each stating that the circumstances constituting a Withholding Tax Event or a Tax Deductibility Event, as the case may be, have occurred. The Trustee shall be entitled to accept such certificate and legal opinion as sufficient evidence of such matters, in which event they shall be conclusive and binding on Noteholders and Couponholders.

- (d) **Redemption at the Option of the Issuer:** If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. If redemption in part is specified as being applicable hereon, any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements. So long as the Notes are listed on the Luxembourg Stock Exchange or any other stock exchange and the rules of the relevant stock exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a leading newspaper of general circulation in Luxembourg or as specified by such other stock exchange, a notice specifying the aggregate nominal amount of Notes outstanding and a list of the Notes drawn for redemption but not surrendered.

- (e) **Redemption at the Option of Noteholders:** If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice (**Exercise Notice**) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period specifying the aggregate principal amount in respect of which such option is exercised (which must be the minimum denomination specified hereon or an integral multiple thereof). No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

- (f) **Purchases:** The Issuer and any of its Subsidiaries (as defined in Condition 10) may, subject as provided in Condition 6(j), at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.
- (g) **Cancellation:** All Notes purchased by or on behalf of the Issuer or any of its Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.
- (h) **Redemption at the option of the Issuer in case of a Capital Event:** This Condition 6(h) is applicable only in relation to Notes specified hereon as being Subordinated Notes in respect of which Capital Event Redemption applies and references to **Notes** in this Condition 6(h) shall be construed accordingly.

If a Capital Event occurs, the Issuer may, within 90 calendar days of the occurrence of the relevant Capital Event, at its option, but subject as provided in Condition 6(j), give notice to (i) the Trustee and (ii) the Noteholders in accordance with Condition 16 (which notice shall be irrevocable) that all (but not some only) of the outstanding Notes comprising the relevant Series shall be redeemed:

- (1) in the case of all Notes other than Floating Rate Notes, at any time within the period of not less than 30 nor more than 60 days from the date of such notice; or
- (2) in the case of Floating Rate Notes, (A) on any Interest Payment Date falling within the period of not less than 30 nor more than 60 days from the date of such notice or (B) if there is no Interest Payment Date falling within (A) above, on the first Interest Payment Date to occur after the expiry of 60 days from the date of such notice,

in each case, at the Capital Event Redemption Amount specified hereon, together with accrued interest (if any) thereon. Upon the expiry of such notice, the Issuer shall redeem the Notes.

In these Conditions:

A **Capital Event** means the determination by the Issuer, after consultation with the Swedish FSA (if required by the Swedish FSA), that as a result of a change in Swedish law or Applicable Banking Regulations or any change in the official application or interpretation thereof becoming effective on or after the Issue Date of the first Tranche of the Notes, the aggregate outstanding nominal amount of the Notes is fully excluded from Tier 2 capital of the Issuer (other than as a result of any applicable limitation on the amount of such capital), such determination to be

confirmed by the Issuer to the Trustee in a certificate signed by two Directors of the Issuer. The Trustee shall be entitled to accept such certificate as sufficient evidence of such matters, in which event it shall be conclusive and binding on Noteholders and Couponholders.

Tier 2 capital means Tier 2 capital (*supplementärkapital*) as defined in Part 2 Chapter 4 of the CRR or in any other Applicable Banking Regulations, in each case as amended or replaced.

- (i) **Redemption at the option of the Issuer in case of an Eligible Liabilities Event:** This Condition 6(i) is applicable only in relation to Notes specified hereon as being Senior Preferred Notes or Senior Non-Preferred Notes in respect of which Eligible Liabilities Event Redemption applies and references to **Notes** in this Condition 6(i) shall be construed accordingly.

If an Eligible Liabilities Event in respect of Senior Preferred Notes or Senior Non-Preferred Notes occurs, the Issuer may, within 90 calendar days of the occurrence of the relevant Eligible Liabilities Event, at its option, but subject as provided in Condition 6(j), give notice to (i) the Trustee and (ii) the Noteholders in accordance with Condition 16 (which notice shall be irrevocable) that all (but not some only) of the outstanding Notes comprising the relevant Series shall be redeemed:

- (1) in the case of all Notes other than Floating Rate Notes, at any time within the period of not less than 30 nor more than 60 days from the date of such notice; or
- (2) in the case of Floating Rate Notes, (A) on any Interest Payment Date falling within the period of not less than 30 nor more than 60 days from the date of such notice or (B) if there is no Interest Payment Date falling within (A) above, on the first Interest Payment Date to occur after the expiry of 60 days from the date of such notice,

in each case, at the Eligible Liabilities Event Redemption Amount specified hereon, together with accrued interest (if any) thereon. Upon the expiry of such notice, the Issuer shall redeem the Notes.

In these Conditions:

Applicable MREL Regulations means at any time the laws, regulations, requirements, guidelines and policies then in effect in Sweden giving effect to any MREL Requirement or any successor regulations then applicable to the Issuer or the Group, as the case may be, including, without limitation to the generality of the foregoing, CRD IV and the BRRD (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer or the Group, as the case may be);

BRRD means Directive 2014/59/EU of the European Parliament and of the Council on resolution and recovery of credit institutions and investment firms dated 15 May 2014 and published in the Official Journal of the European Union on 12 June 2014 (or, as the case may be, any provision of Swedish law transposing or implementing such Directive), as amended or replaced from time to time;

An **Eligible Liabilities Event** means the determination by the Issuer, after consultation with the Relevant Regulator (as defined in Condition 6(j)), that as a result of a change in Applicable MREL Regulations or any change in the official application or interpretation thereof becoming effective on or after the Issue Date of the first Tranche of the Notes, the aggregate outstanding nominal amount of the Senior Preferred Notes or Senior Non-Preferred Notes, as applicable, is (or is likely to be) fully or partially excluded from eligibility for inclusion in any amount of "eligible liabilities" (or any equivalent or successor term) (the **Eligible Liabilities Amount**) available to meet any MREL Requirement (however called or defined by then Applicable MREL Regulations) if the Issuer or the Group is then or, as the case may be, will be subject to such MREL Requirement, provided that an Eligible Liabilities Event shall not occur where such ineligibility for the inclusion of such Notes in the Eligible Liabilities Amount is or will be caused by (i) the remaining maturity of such Notes being less than any period prescribed by any applicable eligibility criteria under the Applicable MREL Regulations, or (ii) any applicable limits on the amount of "eligible liabilities" (or any equivalent or successor term) permitted or allowed to meet any MREL Requirement(s) being exceeded. Such determination to be confirmed by the Issuer to the Trustee in a certificate signed by two Directors of the Issuer. The Trustee shall

be entitled to accept such certificate as sufficient evidence of such matters, in which event it shall be conclusive and binding on Noteholders and Couponholders;

Group means the Issuer and its Subsidiaries from time to time; and

MREL Requirement means the minimum requirement for own funds and eligible liabilities which is or, as the case may be, will be applicable to the Issuer or the Group, as the case may be.

Subsidiary means a company (i) the majority of the voting rights of which are held by the Issuer and/or by one or more other Subsidiaries or (ii) of which the Issuer and/or one or more other Subsidiaries is a member and has or have the right to appoint or remove a majority of its board of directors, or (iii) the Issuer and/or one or more other Subsidiaries is a member of it and controls, pursuant to an agreement with other shareholders or members, a majority of voting rights in it.

- (j) **Redemption, Purchase, Substitution and Variation only with Prior Approval:** No early redemption or purchase or substitution or variation, each as contemplated by this Condition 6, of such Notes may be made without the prior consent of the Relevant Regulator (if such consent is required pursuant to (A) (in respect of Subordinated Notes) Applicable Banking Regulations or (B) (in respect of Senior Preferred Notes and Senior Non-Preferred Notes) Applicable MREL Regulations).

Relevant Regulator means (i) (in respect of Subordinated Notes) the Swedish FSA and (ii) (in respect of Senior Preferred Notes and Senior Non-Preferred Notes) the Swedish National Debt Office or such other authority tasked with matters relating to the qualification of securities of the Issuer or the Group, as the case may be, under the Applicable MREL Regulations.

- (k) **Variation or Substitution:** This Condition 6(k) is applicable only where this Condition 6(k) is specified as being applicable hereon.

If at any time (i) a Capital Event (if Capital Event Redemption is specified hereon as being applicable), (ii) an Eligible Liabilities Event (if Eligible Liabilities Event Redemption is specified hereon as being applicable), (iii) a Withholding Tax Event or an event giving rise to a right of redemption pursuant to Condition 6(c)(1) or (iv) a Tax Deductibility Event (if Tax Deductibility Event Redemption is specified hereon as being applicable) occurs and is continuing, the Issuer may, subject to the approval of the Relevant Regulator, without any requirement for the consent or approval of the Noteholders and having given not less than 30 nor more than 60 days' notice to the Trustee and to the Noteholders in accordance with Condition 16 (which notice shall be irrevocable), at any time either substitute all (but not some only) of the Notes for, or vary the terms of the Notes so that they remain or, as appropriate, become, Qualifying Securities (as defined below), provided in each case that such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted securities that are inconsistent with the redemption provisions of the Notes.

The Trustee shall (at the request and expense of the Issuer) use its reasonable endeavours to assist the Issuer in substitution or variation of the Notes in accordance with this Condition 6(k), provided that (i) the Trustee receives a certificate in the form described in the definition of "Qualifying Securities" in accordance with the provisions thereof, and (ii) the Trustee shall not be obliged to participate or assist in any such substitution or variation if the terms of the notes into which the Notes are to be substituted or are to be varied impose, in the Trustee's opinion, more onerous obligations upon it or reduce its protections. The Trustee shall be entitled to accept such certificate as sufficient evidence of such matters, in which event it shall be conclusive and binding on Noteholders and Couponholders.

Qualifying Securities means, for the purpose of this Condition 6(k), securities, whether debt, equity, interests in limited partnerships or otherwise, issued directly or indirectly by the Issuer that:

- (1) have terms not materially less favourable to a holder of the Notes, certified by the Issuer acting reasonably (which certification shall be signed by two Directors of the Issuer, shall be binding on the Noteholders, and shall be delivered to the Trustee not less than

five Business Days prior to (i) in the case of substitution of the Notes, the issue of the relevant securities or (ii) in the case of a variation, such variation), than the terms of the Notes, provided that they shall (1) include a ranking at least equal to that of the Notes, (2) have at least the same interest rate and the same Interest Payment Dates as those from time to time applying to the Notes, (3) have the same redemption rights as the Notes (although they need not contain all of the rights of the Issuer under Condition 6(h) or Condition 6(i), as applicable), (4) preserve any existing rights under the Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date (or, if none, the Interest Commencement Date) last preceding the date of substitution or variation, (5) comply with the then current requirements of (x) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, the Applicable MREL Regulations in relation to Senior Preferred Obligations or Senior Non-Preferred Obligations, as applicable, or (y) in the case of Subordinated Notes, the Applicable Banking Regulations in relation to Tier 2 capital and (6) are assigned (or maintain) the same or higher credit ratings, if any, as were assigned to the Notes immediately prior to such variation or substitution; and

- (2) are listed on a recognised stock exchange selected by the Issuer and approved by the Trustee if the Notes were listed immediately prior to such variation or substitution.

7. PAYMENTS AND TALONS

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. **Bank** means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET2 System.
- (b) **Registered Notes:**
 - (i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
 - (ii) Interest on Registered Notes shall be paid to the person shown on the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date and (ii) where in definitive form, at the close of business on the fifteenth day before the due date for payment thereof (the **Record Date**). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

- (d) **Payments subject to Fiscal Laws:** All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Issuing and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities (including Luxembourg, so long as the Notes are listed on the Luxembourg Stock Exchange) and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed in each case, as approved by the Trustee.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

- (f) **Unmatured Coupons and unexchanged Talons:**
- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes such Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount, Capital Event Redemption Amount, Eligible Liabilities Event Early Redemption Amount and Tax Event Early Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
 - (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note or a Fixed Reset Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
 - (iv) Where any Bearer Note that provides that the relative unexpired Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

- (v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.
- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).
- (h) **Non-Business Days:** If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, **business day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as **Financial Centres** hereon and:
 - (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
 - (ii) (in the case of a payment in euro) which is a TARGET2 Business Day.

8. TAXATION

All payments of principal and interest by or on behalf of the Issuer in the Kingdom of Sweden in respect of the Notes and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Kingdom of Sweden or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, in the case of a payment of interest only, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and Couponholders 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 with respect to any Note or Coupon:

- (1) **Other connection:** to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the Kingdom of Sweden other than the mere holding of the Note or Coupon; or
- (2) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day.

As used in these Conditions, **Relevant Date** in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) **principal** shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Capital Event Redemption Amounts, Eligible Liabilities Event Early Redemption Amounts, Tax Event Early Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable

pursuant to Condition 6 or any amendment or supplement to it, (ii) **interest** shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) **principal** and/or **interest** shall be deemed to include any additional amounts that may be payable under this Condition or any undertaking given in addition to or in substitution for it under the Trust Deed.

9. PRESCRIPTION

Claims against the Issuer for payment in respect of the Notes and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10. EVENTS OF DEFAULT

- (1) If any of the following events occurs and is continuing (**Events of Default**):
- (i) **Non-Payment:** any default is made in the payment of principal in respect of any Note due and payable in accordance with these Conditions or in the payment of interest due on any Notes on an Interest Payment Date or any other date and any such default continues for 15 days; or
 - (ii) **Winding-up:** an order is made or an effective resolution passed for the winding-up or liquidation of the Issuer (except for the purpose of a merger, reconstruction or amalgamation under which the continuing entity effectively assumes all the obligations of the Issuer under the Notes) or the Issuer is otherwise declared bankrupt (*konkurs*) or put into liquidation (*likvidation*), in each case by a court or agency or supervisory authority in the Kingdom of Sweden having jurisdiction in respect of the same,

the Trustee at its discretion may, and if so requested by the holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, provided that it shall in each case have been indemnified to its satisfaction,

- (A) (in the case of (i) above), institute such steps, including the obtaining of a judgment against the Issuer for any amount due in respect of the relevant Notes, as it thinks desirable with a view to having the Issuer declared bankrupt (*konkurs*) or put into liquidation (*likvidation*), in each case in the Kingdom of Sweden and not elsewhere, and prove or claim in the bankruptcy or liquidation of the Issuer; and/or
- (B) (in the case of (ii) above), prove or claim in the bankruptcy or liquidation of the Issuer, whether in the Kingdom of Sweden or elsewhere and instituted by the Issuer itself or by a third party,

but (in either case) the Trustee may claim payment in respect of the Note only in the bankruptcy (*konkurs*) or liquidation (*likvidation*) of the Issuer.

- (2) In any of the events or circumstances described in Condition 10(1)(ii) above, the Trustee at its discretion may, and if so requested by the holders of at least one-fifth in nominal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, provided that it shall in each case have been indemnified and/or prefunded and/or secured to its satisfaction, give notice in writing to the Issuer that each Note is, and each Note shall (subject to the provisions set out in Condition 10(1)) thereupon immediately become, due and repayable at its Early Redemption Amount together with accrued interest as provided in the Trust Deed, but subject to the Issuer only being required to make such payment after it has been declared bankrupt (*konkurs*) or put into liquidation (*likvidation*).
- (3) The Trustee may at its discretion institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Notes (other than, without prejudice to paragraphs (1) and (2) above, any obligation for the payment of any principal or interest in respect of the

Notes) provided that the Issuer shall not 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.

- (4) No remedy against the Issuer, other than as provided in paragraphs (1), (2) and (3) above or proving or claiming in the bankruptcy (*konkurs*) or liquidation (*likvidation*) of the Issuer in the Kingdom of Sweden or elsewhere, shall be available to the Trustee or the holders of the Notes, whether for the recovery of amounts owing in respect of the Notes or in respect of any breach by the Issuer of any of its obligations or undertakings under the Notes or the Trust Deed.
- (5) The Trustee is not obliged to institute any steps or proceedings as described in paragraphs (2) to (4) above or take any other action under the Trust Deed unless (a) it shall have been so directed or so requested in writing by Noteholders holding at least one-fifth in nominal amount of the Notes outstanding and (b) it shall have been indemnified and/or prefunded and/or secured to its satisfaction. No Noteholder or Couponholder may proceed directly against the Issuer unless the Trustee, having become bound to proceed, fails or is unable to do so within 60 days (in which event the relevant Noteholder or Couponholder shall have only such right against the Issuer as those which the Trustee is entitled to exercise as set out in these Conditions).

11. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders (including by way of conference call, including by use of a videoconference platform) to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount, the Capital Event Redemption Amount or the Eligible Liabilities Event Early Redemption Amount, Tax Event Early Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.
- (b) **Modification of the Trust Deed:** The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.

In addition, the Trustee shall be obliged to concur with the Issuer in effecting any Benchmark Amendments in the circumstances and as otherwise set out in Condition 5(l) and the substitution and variation provisions set out in Condition 6(k) without the requirement for the consent or approval of the Noteholders or Couponholders.

- (c) **Substitution:** The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders or the Couponholders, to the substitution of the Issuer's successor in business or any Subsidiary of the Issuer or its successor in business in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes, provided (*inter alia*) that the Issuer gives notice of such substitution to the Noteholders in accordance with the provisions of Condition 16. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders or the Couponholders, to a change of the law governing the Notes, the Coupons, the Talons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

Any such substitution is subject to the consent of the Relevant Regulator (if such consent is required pursuant to (i) (in respect of Subordinated Notes) Applicable Banking Regulations or (ii) (in respect of Senior Preferred Notes and Senior Non-Preferred Notes) Applicable MREL Regulations)

- (d) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

12. INDEMNIFICATION OF THE TRUSTEE

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

13. REPLACEMENT OF NOTES, CERTIFICATES, COUPONS AND TALONS

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Paying Agent in Luxembourg (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

14. FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust

Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

15. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

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

16. NOTICES

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*) and so long as the Notes are listed on the Luxembourg Stock Exchange, either in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (www.bourse.lu). If in the opinion of the Trustee any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

17. GOVERNING LAW AND JURISDICTION

- (a) **Governing Law:** The Trust Deed, the Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Notes, the Coupons and the Talons are governed by, and shall be construed in accordance with, English law except that the provisions of Condition 3 and clause 4 of the Trust Deed are governed by, and shall be construed in accordance with, the laws of the Kingdom of Sweden.
- (b) **Jurisdiction:** To the extent allowed by law, the Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Coupons or Talons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Notes, Coupons or Talons) and accordingly any legal action or proceedings arising out of or in connection with any Notes, Coupons or Talons (**Proceedings**) (including any Proceedings relating to any non-contractual obligations arising out of or in connection with any Notes, Coupons or Talons) may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.
- (c) **Service of Process:** The Issuer appoints Business Sweden, the Swedish Trade & Invest Council at its registered office at 5 Upper Montagu Street, London W1H 2AG as its agent for service of process, and undertakes that, in the event of Business Sweden ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.
- (d) **Swedish Statutory Bail-In:** Notwithstanding any other term of the Notes or any other agreements, arrangements or understanding between the Issuer and any Noteholder, by its acquisition of the Notes, each Noteholder (which, for these purposes, includes each holder of a beneficial interest in the Notes) acknowledges and agrees to be bound by the exercise of any Bail-in Power by the relevant Swedish resolution authority that may result in the write-down or cancellation of all, or a portion, of the principal amount of, or accrued but unpaid interest on, the Notes and/or the conversion of all, or a portion, of the principal amount of, or accrued but unpaid interest on, the Notes into shares or other securities or other obligations of the Issuer or another person, including by means of a variation to the terms of the Notes to give effect to the exercise by the relevant Swedish resolution authority of such Bail-in Power. Each Noteholder (which, for these purposes, includes each holder of a beneficial interest in the Notes) further acknowledges and agrees that the rights of the Noteholders are subject to, and will be varied,

if necessary, so as to give effect to, the exercise of any Bail-in Power by the relevant Swedish resolution authority.

For these purposes, a **Bail-in Power** means any statutory reduction and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of credit institutions, investment firms and/or any member of the Group incorporated in the relevant Member State of the European Union in effect and applicable in the relevant Member State of the European Union to the Issuer and/or any other member of the Group, including but not limited to any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of any European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and/or within the context of a relevant Member State of the European Union's resolution regime or otherwise, pursuant to which liabilities of a credit institution, investment firm and/or any member of the Group can be reduced, cancelled and/or converted into shares or other notes or obligations of the obligor or any other person.

Upon the Issuer being informed or notified by the relevant Swedish resolution authority of the actual exercise of the Bail-in Power or the date from which the Bail-in Power shall be effective with respect to the Notes, the Issuer shall notify the Noteholders in accordance with Condition 16 without delay. Any delay or failure by the Issuer to give such notice shall not affect the validity and enforceability of the Bail-in Power nor the effects on the Notes described in this Condition.

The exercise of the Bail-in Power by the relevant Swedish resolution authority with respect to the Notes shall not constitute an event of default under the Notes and the terms and conditions of the Notes shall continue to apply in relation to the residual principal amount of, or outstanding amount payable with respect to, the Notes, subject to any modification of the amount of interest payable to reflect the reduction of the principal amount, and any further modification of the terms and conditions of the Notes that the relevant Swedish resolution authority may decide in accordance with applicable laws and regulations relating to the resolution of credit institutions, investment firms and/or any member of the Group incorporated in the relevant Member State of the European Union.

Each Noteholder also acknowledges and agrees that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of any Bail-in Power to the Notes.

Overview of Provisions Relating to the Notes while in Global Form

Initial Issue of Notes

Each Tranche of Notes issued in bearer form and cleared through Euroclear and Clearstream, Luxembourg will be initially issued in the form of a temporary Global Note or, if so specified in the relevant Final Terms or relevant Pricing Supplement, as the case may be, a permanent Global Note which in either case will:

- (i) if the Global Notes are intended to be issued in new global note (**NGN**) form, as stated in the relevant Final Terms or relevant Pricing Supplement, as the case may be, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the **Common Safekeeper**) for Euroclear and Clearstream, Luxembourg; and
- (ii) if the Global Notes are not intended to be issued in NGN form, be delivered on or prior to the original issue date of the Tranche to a common depository (the **Common Depository**) for Euroclear and Clearstream, Luxembourg.

Depositing the Global Notes with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Upon the initial deposit of a Global Note with (i) the Common Depository (if the Global Note is not intended to be issued in NGN form) or (ii) the Common Safekeeper (if the Global Note is intended to be issued in NGN form) or registration of Registered Notes in the name of any nominee (i) for the Common Depository or (ii) the Common Safekeeper (if the Registered Notes are intended to be held under the new safekeeping structure (**NSS**)) and delivery of the relative Global Certificate to the Common Depository or Common Safekeeper, as the case may be, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

If the Global Note is a NGN or the Registered Notes are held under NSS, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of both Euroclear and Clearstream, Luxembourg. The records of such clearing systems shall be conclusive evidence of the nominal amount of Notes represented by the Global Note or the relative Global Certificate and a statement issued by a clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depository or Common Safekeeper, as applicable, may also be credited to the accounts of subscribers with (if indicated in the relevant Final Terms or relevant Pricing Supplement, as the case may be) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or such clearing system (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, or such clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Exchange

Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Final Terms or relevant Pricing Supplement, as the case may be, indicate that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “*Overview of the Programme – Selling Restrictions*”), in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Final Terms or relevant Pricing Supplement, as the case may be, for Definitive Notes.

Each temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Conditions in addition to any permanent Global Note or Definitive Notes for which it may be exchangeable and, before its Exchange Date, will also be exchangeable in whole or in part for Registered Notes only.

Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “*Partial Exchange of Permanent Global Notes*”, in part for Definitive Notes or Registered Notes:

- (i) if the permanent Global Note is an Exchangeable Bearer Note, by the holder giving notice to the Issuing and Paying Agent of its election to exchange the whole or a part of such Global Note for Registered Notes; and
- (ii) if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an **Alternative Clearing System**) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so.

Permanent Global Certificates

If the Final Terms or Pricing Supplement, as the case may be, state that the Notes are to be represented by a permanent Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to (i) or (ii) above, the Registered Holder has given the Registrar not less than 30 days’ notice at its specified office of the Registered Holder’s intention to effect such transfer.

Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more

occasions (1) for Registered Notes if the permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes, or (2) for Definitive Notes if so provided in, and in accordance with, the Conditions.

Delivery of Notes

On or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, (A) if the Global Notes are not NGNs, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (B) if the Global Notes are NGNs, procure that details of such exchange shall be entered *pro rata* in the records of the relevant clearing systems or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be. In this Base Prospectus, **Definitive Notes** means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons in respect of interest). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

Exchange Date

Exchange Date means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Base Prospectus. The following is an overview of certain of those provisions:

Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation (and, in the case of a Global Note not intended to be issued in NGN form, endorsement) and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If a Global Note is not a NGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. If the Global Note is a NGN, the Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing systems and the nominal amount of the Notes recorded in the records of the relevant clearing systems and represented by the Global Note will be reduced accordingly.

Prescription

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and 5 years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each minimum Specified Denomination of Notes for which such Global Note may be exchanged. (All holders of Registered Notes are entitled to one vote in respect of each Note comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note.

Purchase

Notes represented by a permanent Global Note may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest (if any) thereon.

Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) and/or any other clearing system (as the case may be).

Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Issuing and Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time, where the permanent Global Note is not a NGN, presenting the permanent Global Note to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent, for notation. Where the permanent Global Note is a NGN, the Issuer shall procure that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

NGN nominal amount

Where the relevant Global Note is a NGN, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, shall be entered *pro rata* in the records of the relevant clearing systems and upon any such entry being made, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

Trustee's Powers

In considering the interests of Noteholders while any Global Note is held on behalf of, or Registered Notes are registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Registered

Notes and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note, except that so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, notices shall also be published either in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Interest

So long as any Notes are represented by a Global Note or Global Certificate, interest shall be calculated in respect of any period by applying the Rate of Interest to the aggregate outstanding nominal amount of the Notes represented by such Global Note or Global Certificate and multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Use of Proceeds

The net proceeds from each issue of Notes will be used for general corporate purposes of the Issuer and its subsidiaries.

Description of the Issuer

OVERVIEW

Länsförsäkringar Bank AB (publ) (the **Issuer**) is a public limited liability company incorporated in Sweden on 12 March 1996 for an unlimited duration under the Swedish Companies Act (Sw: *Aktiebolagslagen (2005:551)*). The Issuer is registered in the Swedish Companies Registration Office under corporate registration number 516401-9878 and has the LEI code 549300C6TUMDXNOVXS82. The Issuer operates as a limited liability company regulated as a banking company under the Banking and Financing Business Act (Sw. *Lag (2004: 297) om bank- och finansieringsrörelse*) and is subject to the supervision of the Swedish FSA. The Issuer's website is <https://www.lansforsakringar.se/stockholm/other-languages/english/about-lansforsakringar/lansforsakringar-bank/> and telephone number is +46 8 588 400 00.

The Issuer has three wholly-owned subsidiaries: Länsförsäkringar Hypotek AB (publ) (**LF Hypotek**), the Issuer's mortgage institution; Wasa Kredit AB (**Wasa Kredit**), a finance company offering leasing, hire purchase and personal loans; and Länsförsäkringar Fondförvaltning AB (publ) (**LF Fondförvaltning**), which manages mutual funds. The Issuer and its consolidated subsidiaries, taken as a whole from time to time comprise the **Bank Group**.

The Issuer is wholly owned by Länsförsäkringar AB (publ) (**LFAB**).¹⁰ LFAB is principally owned by 23 independent, local and customer-owned regional insurance companies in Sweden (the **Regional Insurance Companies**) which, together with LFAB and its subsidiaries, including the Bank Group, and Länsförsäkringar Fastighetsförmedling AB, comprise the Länsförsäkringar Alliance (the **Alliance**). Besides the protections awarded under the Swedish Companies Act and the Swedish Banking and Financing Business Act, the Issuer has adopted an internal policy framework and controls compliance with such internal policy framework and regulatory requirements on a continuous basis in order to mitigate the risk for abuse of power and conflict of interest risks.

The Issuer relies upon its parent, LFAB, for the injection of necessary capital. The Issuer's capitalisation can be impacted by the conditions prevailing within the Alliance.

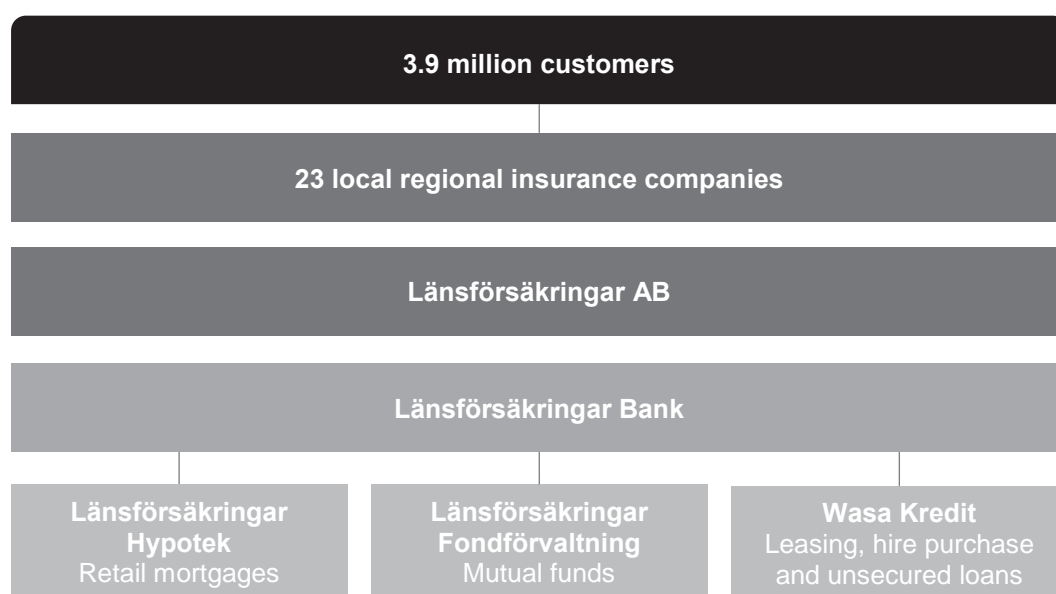
Under CRR, the consolidated situation of the Issuer includes LFAB and the Bank Group (the **Consolidated Situation**). On 10 July 2020, the Swedish FSA determined that the Bank Group, with the Issuer as ultimate entity, should be consolidated on a subgroup level and that such consolidation shall constitute a sub-consolidated situation. This mainly affects the Issuer in relation to risks, capital requirements and governance. Since the Issuer maintains the view that the risk and capital situation is best presented in the Bank Group's capital ratios, the actual risk and capital ratios are published in parallel with the capital ratios for the Consolidated Situation including LFAB.

In December 2020, the extraordinary general meeting of LFAB resolved to implement a merger between LFAB and Länsförsäkringar Sak Försäkringsaktiebolag (publ) (**Länsförsäkringar Sak**) with Länsförsäkringar Sak as the surviving entity and being the new ultimate parent company of the group (the **Merger**). The purpose of the Merger is primarily to achieve a more efficient and transparent legal structure. If the Merger is effectuated, the consolidated situation for the banking business, in the opinion of the Issuer, should consist only of the Bank Group. The Merger is planned to be implemented during 2021 and requires approval from the Swedish FSA.

The following diagram shows the structure of the Alliance, and the Bank Group within it as of the date of this Base Prospectus:

¹⁰ Effective as of 28 December 2020, Länsförsäkringar AB's legal name has been changed to "Gamla Länsförsäkringar AB" as part of the process of the Merger (as defined in this section "Description of the Issuer"), however, it is referred to as "Länsförsäkringar AB" or "LFAB" throughout this Base Prospectus.

Länsförsäkringar Bank – part of the Länsförsäkringar Alliance



The Issuer is one of the larger retail banks in Sweden with 1,241,000 customers (of which 586,000 have the Issuer as their primary bank) and a business volume (loans, deposits and funds) of SEK 729 billion as of 31 December 2020. In 2020, the business continued to grow in all main product segments. According to the 2020 Swedish Quality Index customer satisfaction survey, the Issuer remains a leading player in the banking market in terms of customer satisfaction among retail and corporate customers.

The Bank Group offers a full range of banking services to its customers (mainly private individuals, farmers and small businesses). Sales, advisory services and customer services are carried out through the 128 branches of the Regional Insurance Companies and via the internet, mobile services and telephone. Certain administration of banking services are also carried out at the branches of the Regional Insurance Companies. The Regional Insurance Companies are reimbursed for sales, administration and services through a reimbursement system based on volumes managed.

STRATEGY

The Issuer's strategy, which has not been changed since 2000, is to provide the Alliance's Regional Insurance Companies' customers with a complete offering of banking services. Customer contact is mainly performed by the 128 branches of the Regional Insurance Companies. The real estate brokerage, Länsförsäkringar Fastighetsförmedling, also conducts some customer contacts at its 181 branches. The strategy for the Issuer's banking operations is primarily based on the existing infrastructure of the Alliance: a large customer base, a strong brand, local presence and the value basis and core values of the customer-owned Regional Insurance Companies.

History

The Issuer was founded in 1996 to further broaden the Alliance's offering. In 2000, the strategy of becoming a full-service retail bank was adopted and in 2001 the Issuer started retail mortgage lending operations through LF Hypotek.

Large customer base

The Alliance has a total of 3.9 million insurance customers and the main target groups for the Issuer are the 3.2 million retail customers, of whom 2.4 million are home-insurance customers. Other target groups are agricultural customers and small businesses.

Local customer-owned

The banking operations, which are conducted in Sweden only, have a local presence as the Regional Insurance Companies manage the majority of all contact with customers. The Regional Insurance Companies are mutual non-life insurance companies, and as such are owned by the policy holders of

each company. The Regional Insurance Companies' involvement, network and local decision-making, provide a broad and in-depth local presence.

Customer-driven business model

The Issuer supports the Regional Insurance Companies in their advisory services and sales. Product development takes place in close cooperation between the Issuer and the Regional Insurance Companies. This cooperation features continuous efficiency enhancements to implement improvements that lead to better processes and advisory services, greater expertise and lower costs.

OBJECTIVES

The Issuer's objectives are as follows:

- achieve profitable growth;
- have the most satisfied customers; and
- increase the percentage of customers who combine their banking and insurance commitments.

KEY FIGURES

GROUP	Q4 2020	Q4 2019	Full Year 2020	Full Year 2019
Return on equity (%)	8.22	8.84	8.51	9.48
Return on total assets (%)	0.36	0.27	0.35	0.38
Investment margin (%)	1.18	1.20	1.18	1.21
Cost/income ratio before loan losses	0.53	0.49	0.49	0.48
Core Tier 1 ratio, Bank Group (%)	14.9	13.9	14.9	13.9
Tier 1 ratio, Bank Group (%)	16.9	16.0	16.9	16.0
Total capital ratio, Bank Group (%)	19.3	18.5	19.3	18.5
Core Tier 1 ratio, CRR Consolidated Bank Group (%)	16.7	15.4	16.7	15.4
Tier 1 ratio, CRR Consolidated Bank Group (%)	17.7	16.0	17.7	16.0
Total capital ratio, CRR Consolidated Bank Group (%)	19.1	16.6	19.1	16.6
Share of credit-impaired loan receivables stage 3 (%)	0.22	0.20	0.22	0.20
Reserve ratio for loan receivables stage 1 (%)	0.05	0.03	0.05	0.03
Reserve ratio for loan receivables stage 2 (%)	2.78	1.98	2.78	1.98
Reserve ratio for loan receivables stage 3 (%)	35.2	34.6	35.2	34.6
Reserve ratio for loan receivables, including withheld remuneration to regional insurance companies (%)	39.9	40.2	39.9	40.2
Credit loss level (%)	0.07	0.10	0.09	0.06

REGULATORY FRAMEWORK

The Issuer is subject to a number of rules and regulations, amongst others the Companies Act, the Securities Markets Act (Sw: *Lag (2007:528) om värdepappersmarknaden*) and the Banking and Financing Business Act which regulates, inter alia, the Issuer's lending activities. In addition, the Supervision of Credit and Investment Institutions Act (Sw: *Lag (2014:968) om särskild tillsyn över kreditinstitut och värdepappersbolag*), the Act on Capital Buffers (Sw: *Lag (2014:966) om kapitalbuffertar*) and CRR sets forth certain requirements on regulatory capital and exposure that the Issuer must observe.

The Issuer is supervised by the Swedish FSA.

CREDIT QUALITY

Total loans in the Bank Group amounted to SEK 340 billion (307 billion) on 31 December 2020. The geographic distribution of the loan portfolio encompasses all of Sweden, and no loans were granted with collateral based outside Sweden. As of 31 December 2020, mortgages accounted for 76 per cent.

(78 per cent.) of the loan portfolio and agricultural loans accounted for 9 per cent. (10 per cent.). Combined, these loans accounted for approximately 85 per cent. (88 per cent.) of the Bank Group's loan portfolio. Credit losses amounted to SEK 325 million (207 million), net, corresponding to a credit loss level of 0.09 per cent. (0.06 per cent.).

As of 31 December 2020, credit-impaired loan receivables (stage 3) before provisions amounted to SEK 1,151 million, corresponding to a share of credit-impaired loan receivables of 0.22 per cent. Figures in parentheses pertain to the same period in 2019. The loss allowance for credit-impaired loan receivables was SEK 405 million. The reserve ratio for credit-impaired loan receivables amounted to 35.2 per cent. In addition, SEK 54 million of the remuneration to the Regional Insurance Companies regarding credit-impaired loan receivables in accordance with the settlement model for the Regional Insurance Companies' credit-risk commitments for generated business is withheld. The loss allowance for credit-impaired loan receivables (including the withheld remuneration to the Regional Insurance Companies) totalled SEK 459 million. The reserve ratio for credit-impaired loan receivables, including withheld remuneration to the Regional Insurance Companies, amounted to 39.9 per cent and the total recognised loss allowance was SEK 914 million, of which SEK 132 million pertained to withheld remuneration to the Regional Insurance Companies in accordance with the settlement model for the Regional Insurance Companies' credit-risk commitments for generated business.

FUNDING STRATEGY OF THE BANK GROUP

The Bank Group manages its funding and liquidity with the aim to have a sufficiently strong liquidity position to ensure that it can handle periods with stress in the capital markets, when access to new funding is limited or not even available. The liquidity risk is controlled and limited through a survival horizon methodology, meaning how long all known contracted obligations can be met without any access to capital market financing.

The share of deposits in the Bank Group's total financing year amounts to 34 per cent. on 31 December 2020.

Given its retail oriented business mix and large mortgage lending operation, the Bank Group's main funding sources are naturally retail deposits and covered bonds. However senior unsecured debt and commercial papers are also issued. The Bank Group has a low refinancing risk and the maturity profile is well diversified. As of 31 December 2020, deposits from the public amounted to SEK 136 billion. Debt securities amounted to a nominal SEK 232 billion, of which covered bonds amounted to SEK 192 billion, senior long-term funding to SEK 40 billion and short-term funding to SEK 0.5 billion. The average remaining term for the long-term funding was 3.1 years on 31 December 2020. The covered bonds are issued out of the issuer's subsidiary LF Hypotek and mainly in the form of liquid benchmark bonds in the domestic Swedish market. Although SEK is dominating funding currency, diversification is achieved through regular Euro benchmark issuance in both senior preferred and covered bond format.

The market risk that arises from the lending and the funding operations are managed mainly through derivatives. Using derivatives increases the flexibility of borrowing activities, entailing that the financing can be based on market conditions with only a limited exposure to interest rate and currency risks.

Intercreditor agreement and subordination of the Issuer's claims in relation to LF Hypotek against certain borrowers

The Issuer and LF Hypotek have granted, and will grant loans to certain borrowers which are secured by security granted to the Issuer and LF Hypotek jointly and/or on a first and second ranking basis with respect to existing and/or future obligations of the borrowers (the **Joint Collateral**). The Issuer and LF Hypotek have, in an intercreditor agreement, agreed that, unless otherwise agreed in a specific case in relation to a certain borrower, LF Hypotek's claims in respect of the Joint Collateral (and any income from the realisation thereof) shall rank senior to the Issuer's claims in respect thereof.

Liquidity facility agreement between the Issuer and LF Hypotek

The Issuer and LF Hypotek have entered into a liquidity facility agreement, pursuant to which the Issuer makes available a committed liquidity loan facility to LF Hypotek to support its ability to repay principal and pay interest on covered bonds issued under LF Hypotek's covered bonds programmes.

CREDIT POLICY

The lending portfolio is entirely comprised of loans with Swedish-based collateral. The loan book is geographically well-distributed across Sweden meaning there is no concentration in any particular region. Loan origination is primarily directed towards mortgages for private individuals' homes and family-owned agricultural operations. The Issuer does however also, itself and through Wasa Kredit, to a certain extent offer unsecured loans as well as, through Wasa Kredit, leasing and hire purchase loans. All loans are given subject and pursuant to the credit policy decided by the Board of Directors and the credit process is largely automated. The Regional Insurance Companies have good knowledge about their customers and the local markets. The banking operations impose strict requirements on customers' repayment capacity and the quality of any collateral. In connection with credit scoring, the repayment capacity of borrowers and households is stress tested and the quality of the loan portfolio and the borrowers' repayment capacity is continuously monitored and reviewed. The credit policy is centrally decided and the automated credit scoring and decision support system is managed centrally by the Issuer. A majority of the credit decisions are taken locally by the Regional Insurance Companies. The decision-support model, combined with the expertise, local market knowledge and credit responsibility of the Regional Insurance Companies, creates favourable conditions for balanced and consistent loan origination and a loan portfolio of high credit quality.

RISK MANAGEMENT

The overall objective is to protect shareholders' equity and the investors' and depositors' capital. Returns are maximised through active and secure financial management within the guidelines of the Bank Group's overall risk policy.

A sound financial management is ensured by the Issuer being proactive, maintaining clear divisions of responsibility and exercising strict controls. All limits, methods of measuring, financial instruments, reporting and responsibilities in respect of the policy are to be well defined and updated and modified as appropriate.

The divisions of responsibility in financial management are of utmost importance. This means that position taking and executing roles should have no influence on risk control and back office functions.

Division of Responsibility in Risk Management

The Board of Directors of the Issuer is ultimately responsible for the Bank Group's operations and, as a result, for safeguarding the Bank Group's assets and for creating risk awareness in the Bank Group. The Board of Directors of the Issuer achieves this goal, among others, by annually establishing central risk tolerances and risk strategies that ensure a sound and well-balanced process for risk-taking and risk management. Such a process can be characterised by a deliberate focus on changes in the operations and its macro-economic environment. The Board of Directors of the Issuer is also responsible for establishing all of the methods, models, systems and processes that form the internal measurement, control and reporting of identified risks. Through the Bank Group's Compliance, Risk Control and Internal Audit functions, the Board of Directors of the Issuer is also responsible for ensuring that the Issuer's regulatory compliance and risks are managed in a satisfactory manner.

The President is responsible for the ongoing administration of the Issuer in accordance with the risk tolerances and risk strategies established by the Board of Directors of the Issuer. This means that the President is responsible for ensuring that the methods, models, systems and processes that form the internal measurement, control and reporting of identified risks work in the manner intended and decided by the Board of Directors of the Issuer.

The President is the Chairman of an Asset Liability Committee whose main task is to follow up capital and financial matters arising in the Bank Group.

Risk Control is an independent unit and has an independent position in relation to the corporate operations that it has been assigned to monitor and control. Risk Control is under the supervision of the President and is responsible to the Board of Directors of the Issuer for ensuring that risk policies are complied with, risk limits are monitored and non-compliance is reported to the President and Board of Directors of the Issuer. In addition, Risk Control is responsible for the validation of the risk-classification system (the IRB Approach (as defined below)) and its use in the Issuer's operations. One of the most important tasks of the Risk Control is to ensure that the Issuer's operations have active risk

management and that the risk tolerance established by the Board of Directors of the Issuer is converted into limits according to which the operations conduct their activities.

AGREEMENT REGARDING SETTLEMENT MODEL WITH THE REGIONAL INSURANCE COMPANIES

The “Länsförsäkringar settlement model”, which was introduced on 1 January 2014, under which the Regional Insurance Companies have assumed part of the credit risk for loan losses related to the business they have originated, entails that the Regional Insurance Companies cover 80 per cent. of the provisioning requirement in the Bank Group (excluding Wasa Kredit), on the date when an impairment is identified, by off-setting this against a buffer of accrued commission.

CAPITAL ADEQUACY

The Bank Group applies the Internal Ratings Based Approach (**IRB Approach**). The advanced IRB Approach is applied to all retail exposure and to most of the counterparty exposures to corporates and the agricultural sector. The fundamental IRB Approach is applied to all other counterparty exposures to corporates and the agricultural sector and the Standardised Approach for other exposures. As of 31 December 2020, the CET1 ratio according to CRD IV amounted to 16.7 per cent for the Consolidated Situation and to 14.9 per cent for the Bank Group. As of 31 December 2020, the Total Capital ratio according to CRD IV was 19.1 per cent for the Consolidated Situation and 19.3 per cent for the Bank Group.

THE SWEDISH BANKERS' ASSOCIATION

The Swedish Bankers' Association organises banks and financial institutions established in Sweden. The aim is to contribute to a sound and efficient regulatory framework that facilitates banks to help create economic wealth for customers and society.

The Issuer is a member of the association.

RECENT DEVELOPMENTS

Covid-19

In connection with the outbreak of Covid-19 during the first quarter of 2020 and in light of the spread of the pandemic during 2020 and 2021, the Issuer has taken a number of measures to ensure the continuation of operations in the Bank Group. The aim of the implemented measures is for the external impact on customers to be as limited as possible. Although the impact of the ongoing outbreak of Covid-19 has been relatively limited on the Bank Group so far, continuous business contingency arrangements are in place.

MANAGEMENT AND EMPLOYEES

Board of Directors

Name and Role

Fredrik Bergström

Born 1970

Chairman since 2018

President of Länsförsäkringar AB

Anna Blom

Born 1970

Board member since 2020

President of Länsförsäkringar Kalmar län

Per-Ove Bäckström

Born 1959

Principal Outside Activities

Other Board appointments: Chairman of Länsförsäkringar Sak and Länsförsäkringar Fondliv. Deputy Chairman of Svensk Försäkring. Board member of Länsförsäkringar Liv, European Alliance Partners Company AG, Försäkringsbranschens Arbetsgivarorganisation and Enebybergs Tennishall AB.

Other Board appointments: Board member of Länsförsäkringar Fastighetsförmedling AB.

Other Board appointments: Board member of Länsförsäkringar Gävleborg and Humlegården Fastigheter AB.

Board member since 2015
President of Länsförsäkringar Gävleborg

Ola Evensson

Born 1965
Board member since 2020
President of Länsförsäkringar Älvsborg

Anders Grånäs

Born 1966
Board member since 2016
President of Dalarnas Försäkringsbolag

Ingrid Jansson

Born 1950
Board member since 2013.

Lennart Käll

Born 1958
Board member since 2020

Peter Lindgren

Born 1959

Board member since 2016
President

Mirek Swartz

Born 1962
Employee representative since 2015

Mattias Karlsson

Born 1974
Employee representative since 2020

Executive Management

Name and Role

Sven Eggefalk

Born 1969
President. Employed since 2018.

Martin Rydin

Born 1968
CFO. Employed since 2012.

Louise Lindgren

Born 1959
Chief Risk Officer. Employed since 2014.

Gert Andersson

Born 1959
Head of Product, Process and Operations.
Employed since 2013.

Other Board appointments: Chairman of Älvsborgs Larmcentral Aktiebolag. Board member of Humlegården AB, LFant AB and Skadedjursbekämpning i Väst AB.

Other Board appointments: Board member of Länsförsäkringar Secondary PE Investments S.A, Humlegården Fastigheter AB and Lansa Fastigheter AB.

Other Board appointments: Chairman of MUM Consulting Group AB.

Other Board appointments: Chairman of Sveriges Radio Aktiebolag and Länsförsäkringar Stockholm. Deputy chairman of Grönklittsgruppen AB (publ). Board member of SJ AB and Ski Team Sweden AB. Co-opted board member of Grant Thornton Sweden AB.

Other Board appointments: Chairman of Länsförsäkringar Östgöta, Ryssnäs AB (incl. subsidiaries), Mo Gård Fastighet AB and HL-Fastigheter AB. Board member of PoL Byggställningar AB, Econova AB and HSB Affärsstöd AB.

Other Board appointments: Board member of Wasa Kredit and Länsförsäkringar Fondförvaltning. Deputy Board member of Länsförsäkringar AB.

Other Board appointments: Board member of Wasa Kredit.

Principal Outside Activities

Board Chairman of Länsförsäkringar Hypotek. Board Chairman of WasaKredit. Board member of Länsförsäkringar Fondförvaltning, Länsförsäkringar Fastighetsförmedling AB and Svenska Bankföreningen.

N/A

N/A

Board member of BGC Holding AB, Bankgirocentralen BGC AB, USE Intressenter AB and UC AB.

Susanne Calner

N/A

Born 1969

Head of CEO office. Employed since 2012.

Ellinor Örtegren Johanson

N/A

Born 1958

Head of Financial Crime Prevention. Employed since 2020.

Bengt Clemedtson

Board Chairman of AB Superb Produkt.

Born 1964

Head of Market. Employed since 2006.

Eva Gottfridsdotter Nilsson

Board member of Isec Group AB. Member of the finance committee of Röda Korset and the Ethical Committee for fund marketing (Sw. *Etiska nämnden för fondmarknadsföring*).

Born 1960

President of Länsförsäkringar Fondförvaltning. Employed since 2000.

Thomas Högväg

N/A

Born 1968

President of Wasa Kredit. Employed since 2015.

Tobias Ternstedt

Board member Finansiell ID-teknik AB.

Born 1972

Business Information Officer / Head of IT
Employed since 2010

The business address of each member of the Issuer's Board of Directors and Executive Management is Tegeluddsvägen 11-13, SE-106 50 Stockholm, Sweden.

Control functions:

Louise Lindgren

Risk control

Christian von Ahlefeld

Compliance

Annika Rosberg Robotti

Internal audit

Auditor

KPMG AB

Attention: Dan Beitner (Authorised Public Accountant)

Box 382

101 27 Stockholm

Telephone +46 8 723 96 33

To the best knowledge of the Issuer, no potential conflicts of interest exist between the private interests and other duties of the members of the Board of Directors or the Executive Management and their duties towards the Issuer. The aforesaid applies also to other persons from the Issuer involved in the preparation of this Base Prospectus.

Employees

In 2020, the Issuer had an average of 611 (576) employees.

Taxation

SWEDEN

The following overview outlines certain Swedish income tax consequences of the acquisition, ownership and disposition of Notes and is based on the Swedish tax laws in force as of the date of this Base Prospectus. The overview does not address all potential aspects of Swedish taxation that may be applicable to a potential investor in the Notes and the overview is neither intended to be, nor should be construed as, legal or tax advice. In particular, the overview does not address the rules regarding reporting obligations for, among others, payers of interest. Specific tax consequences may be applicable to certain categories of corporations, e.g. investment companies and life insurance companies. Specific tax consequences may also apply when Notes are held by partnerships or as trading assets in a business. Such tax consequences are not described below. Neither does the overview cover Notes which are placed on an investment savings account (Sw. investeringssparkonto). A potential investor in the Notes should therefore consult with its own tax advisor as to the Swedish or foreign tax consequences (including the application and effect of tax treaties) of the acquisition, ownership and disposition of Notes in his/her particular situation.

(i) **Non-resident Holders of Notes**

As used herein, a **Non-resident Holder** means a holder of Notes who is (a) an individual who is not a resident of Sweden for tax purposes and who has no connection to Sweden other than his/her investment in the Notes, or (b) an entity not organised under the laws of Sweden.

Under Swedish tax law, payments of principal or any amount that is considered to be interest for Swedish tax purposes to a Non-resident Holder of Notes should not be subject to Swedish income tax unless such Non-resident Holder of Notes carries on a trade or business through a permanent establishment in Sweden to which the Notes are attributable.

Swedish tax law does not impose withholding tax on payments of principal or interest to a Non-resident Holder of Notes.

Under Swedish tax law, a capital gain on a sale of Notes by a Non-resident Holder will not be subject to Swedish income tax unless the Non-resident Holder of Notes carries on a trade or business in Sweden through a permanent establishment to which the Notes are attributable.

Private individuals who are not resident in Sweden for tax purposes may be liable to capital gains taxation in Sweden upon disposal or redemption of certain financial instruments, depending on the classification of the particular financial instrument for Swedish income tax purposes, if they have been resident in Sweden or have lived permanently in Sweden at any time during the calendar year of disposal or redemption or the ten calendar years preceding the year of disposal or redemption. This liability may, however, be limited by tax treaties between Sweden and other countries.

(ii) **Resident Holders of Notes**

As used herein, a **Resident Holder** means a holder of Notes who is (a) an individual who is a resident of Sweden for tax purposes, or (b) an entity organised under the laws of Sweden.

In general, for Swedish corporations and individuals (and estates of deceased individuals) that are resident holders of any Notes, all capital income (e.g. income that is considered to be interest for Swedish tax purposes and capital gains on Notes) will be taxable. A capital gain or capital loss is calculated as the difference between the sales proceeds, after deduction for sales expenses, and the acquisition cost for tax purposes. The acquisition cost for all Notes of the same kind is determined according to the "average method" (Sw. *genomsnittsmetoden*).

An individual's capital income such as capital gains and interest is subject to a 30 per cent. tax rate. Limited liability companies and other legal entities are taxed on all income, including capital gains and interest, as business income at the tax rate of 20.6 per cent.

Losses on listed Notes (Sw. *marknadsnoterade fordringsrätter*) should generally be fully deductible for limited liability companies and for individuals in the capital income category. Certain deduction limitations may apply for individuals and limited liability companies with respect to losses on financial

instruments deemed share equivalents (Sw. *delägarätter*) for Swedish tax purposes, not described further herein.

Swedish tax law does not impose withholding tax on payments of principal or interest to a Resident Holder of Notes. However, preliminary income tax (Sw. *preliminärskatt*) at a rate of 30 per cent. is normally withheld on payments of interest, and other yield which is paid at the same time as interest, to individuals and estates of deceased individuals.

LUXEMBOURG

The following overview is of a general nature and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Withholding Tax

(i) **Non-resident Holders of Notes**

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

(ii) **Resident Holders of Notes**

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 as amended (the **Relibi Law**) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Relibi Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Law will be subject to a withholding tax at a rate of 20 per cent.

THE PROPOSED FINANCIAL TRANSACTIONS TAX (the FTT)

On 14 February 2013, the European Commission published a proposal (the **Commission's Proposal**) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes 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 Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear.

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

FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) may be required to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Sweden) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under “*Terms and Conditions of the Notes – Further Issues*”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes.

FATCA is particularly complex. The above description is based in part on regulations, official guidance and the U.S.-Sweden IGA, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

Subscription and Sale

DEALER AGREEMENT

Subject to the terms and on the conditions contained in an Amended and Restated Dealer Agreement dated 30 March 2021 (such Dealer Agreement as modified and/or restated and/or restated from time to time the **Dealer Agreement**) between the Issuer, the Permanent Dealers and the Arranger, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Final Terms.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

SELLING RESTRICTIONS

United States

The Notes have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, 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 or not subject to the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form having a maturity of more than one year 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. Treasury regulations promulgated thereunder. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder. The relevant Final Terms (or relevant Pricing Supplement, in the case of Exempt Notes) will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

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

Prohibition of sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Base

Prospectus as completed by the Final Terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (i) 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; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the **Prospectus Regulation**); and
- (ii) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the European Economic Area, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms or Pricing Supplement, as the case may be, in relation thereto to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an **offer of Notes to the public** in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

United Kingdom

Prohibition of sales to UK Retail Investors

Unless the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms (or Pricing Supplement, as the case may be) in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression **retail investor** means a person who is one (or more) of the following:

- (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); or
 - (ii) a customer within the meaning of the Financial Services and Markets Act 2000 (the **FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in the UK Prospectus Regulation; and
- (b) the expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

If the Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) specifies “Prohibition of Sales to UK Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

- (A) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;
- (B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (C) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (A) to (C) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an **offer of Notes to the public** in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, and the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other regulatory restrictions

Each Dealer has represented, warranted and agreed that:

- (i) in relation to any Notes which have a maturity of less than one year from the date of their issue, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the **FSMA**) by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

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

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; **FIEA**). Accordingly, each of the Dealers has represented, warranted and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan. As used in this paragraph, **resident of Japan** means as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended).

Belgium

Other than in respect of Notes for which “Prohibition of Sales to Belgian Consumers” is specified as “Not Applicable” in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a **Belgian Consumer**) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore (the **MAS**). Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the 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 Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

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

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be

transferred within six months after that corporation or that trust has acquired the Notes 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;
- (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 of Singapore.

Notification under Section 309B(1)(c) of the SFA - Unless otherwise stated in the Final Terms (or Pricing Supplement, in the case of Exempt Notes) in respect of any Notes, all Notes issued or to be issued under the Programme shall be prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) 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).

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Subscription Agreement in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms or Pricing Supplement, as the case may be, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms or Pricing Supplement, as the case may be, and neither the Issuer nor any other Dealer shall have responsibility therefor.

General Information

- (1) The Issuer has obtained all necessary consents, approvals and authorisations in the Kingdom of Sweden in connection with the establishment and update of the Programme and the issue of Notes. The establishment and update of the Programme and the issue of Notes was authorised pursuant to resolutions of the board of directors of the Issuer passed on 23 April 2004, 26 April 2005, 16 June 2009, 9 June 2010, 29 April 2011, 15 June 2012, 22 April 2013, 29 April 2014, 22 April 2015, 20 April 2016, 30 March 2017, 25 April 2018, 26 March 2019, 26 March 2020 and 8 February 2021.
- (2) There has been no significant change in the financial performance or position of the Issuer or of the Bank Group since 31 December 2020.
- (3) Save as disclosed in the risk factor, "*Risks relating to disruptions in the global credit markets and economy*" on page 14 of this Base Prospectus, there has been no material adverse change in the financial position or prospects of the Issuer or of the Bank Group since 31 December 2020.
- (4) Neither the Issuer nor any of its subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Base Prospectus which may have or have had in the recent past significant effects, in the context of the Notes, on the financial position or profitability of the Issuer or of the Bank Group.
- (5) Each Bearer Note, Coupon and Talon will bear 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.
- (6) Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are entities in charge of keeping the records). The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms or relevant Pricing Supplement, as the case may be. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg. The address of any alternative clearing system will be specified in the relevant Final Terms or relevant Pricing Supplement, as the case may be.
- (7) The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Final Terms or relevant Pricing Supplement, as the case may be of each Tranche, based on then prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to underlying securities, indices, interest rates or other equivalent information in respect of any issues of Notes.
- (8) For a period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published be available for inspection on the website of the Issuer (<https://www.lansforsakringar.se/stockholm/other-languages/english/about-lansforsakringar/lansforsakringar-bank/terms-of-usage-for-emtn-base-prospectus/prospectus-euro-medium-term-notes/>):
 - (i) the Trust Deed (which includes the forms of the Global Notes, the definitive Bearer Notes, the Certificates, the Coupons and the Talons); and
 - (ii) the constitutional documents of the Issuer.
- (9) For a period of at least 10 years following the date of this Base Prospectus, copies of the following documents will, when published be available for inspection on the website of the Issuer (<https://www.lansforsakringar.se/stockholm/other-languages/english/about-lansforsakringar/lansforsakringar-bank/terms-of-usage-for-emtn-base-prospectus/prospectus-euro-medium-term-notes/>):

- (i) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus; and
- (ii) each set of Final Terms for Notes that are listed on the official list and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange or on any other stock exchange.

Pricing Supplements will only be available for inspection by a holder of an Exempt Note and such holder must produce evidence satisfactory to the Issuer or the Issuing and Paying Agent as to its holding of Notes and identity.

- (10) KPMG AB (Chartered Accountants) (a member of the Swedish Institute of Authorised Public Accountants) has audited, and rendered unqualified audit reports on, the accounts of the Issuer for the two years ended 31 December 2020 and 31 December 2019.
- (11) The Issuer confirms that the ratings descriptions sourced from S&P and Moody's on page 11-12 of this document have been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by such parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- (12) The yield relating to a particular issue of Notes will be stated in the Final Terms relating to those Notes and is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
- (13) Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers 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 Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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