# SBAB BANK AB (publ)

*(incorporated with limited liability in the Kingdom of Sweden)*

**€13,000,000,000**

## Euro Medium Term Note Programme

On 6 November 1992, SBAB Bank AB (publ) (the *"Issuer"* or *"SBAB"*) established a Euro Medium Term Note Programme as subsequently amended. This offering circular (the *"Offering Circular"*) supersedes all previous offering circulars relating to the Programme (as defined below). Any Notes to be issued after the date hereof under the Programme are issued subject to the provisions set out herein. This does not affect any Notes issued prior to the date hereof or which are intended to be fungible with Notes issued pursuant to a previous Offering Circular.

Under the €13,000,000,000 Euro Medium Term Note Programme (the *"Programme"*) described in this Offering Circular, the Issuer may from time to time issue Euro medium term notes (the *"Notes"*) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below).

The Notes will be issued (i) in bearer form (*"Bearer Notes"*), (ii) in registered form (*"Registered Notes"*) or (iii) in uncertificated and dematerialised book entry form registered in accordance with section 3-1 of the Norwegian Securities Depository Act of 15 March 2019 no. 6 in a Securities Depository approved or acknowledged under the EU central securities depositories (CSD) regulation (Regulation (EU) No 909/2014 of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012), which unless otherwise specified in the Final Terms will be *Verdipapirsentralen ASA* or VPS (*"VPS Notes"* and the *"VPS"*, respectively). Bearer Notes will be represented on issue by a temporary global note in bearer form. Interests in a temporary global Note will be exchangeable for interests in a permanent global Note on or after the date falling 40 calendar days after the later of the commencement of the offering and the relevant issue date, upon certification as to non-U.S. beneficial ownership.

Notes may be Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes, each as specified in the applicable Final Terms or, in the case of Exempt Notes (as defined below), the applicable Pricing Supplement.

The Notes may be issued on a continuing basis to the Initial Dealer specified under *"Overview of the Programme and Terms and Conditions of the Notes"* and any additional dealer(s) appointed under the Programme from time to time by the Issuer (each a *"Dealer"* and together the *"Dealers"*), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the *"relevant Dealer(s)"* shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to purchase such Notes.

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

Application has been made to the Irish Stock Exchange plc, trading as Euronext Dublin ("*Euronext Dublin*"), for Notes issued under the Programme (other than Exempt Notes) during the period of 12 months from the date of this Offering Circular to be admitted to its official list (the "*Official List*") and to trading on the regulated market (the "*Regulated Market*") of Euronext Dublin. This Offering Circular has been approved by the Central Bank of Ireland (the "*Central Bank*") as competent authority under the Prospectus Regulation (as defined herein). The Central Bank only approves this Offering Circular as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Notes that are subject of this Offering Circular. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU on markets in financial instruments, as amended ("*MiFID II*") and/or which are to be offered to the public in any Member State of the European Economic Area (the "*EEA*"). References in this Offering Circular to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to the Official List and have been admitted to trading on the Regulated Market. The Regulated Market is a regulated market for the purposes of MiFID II.

The requirement to publish a prospectus under the Prospectus Regulation (as defined below) 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 in circumstances where no exemption is available under Article 1(4) of the Prospectus Regulation. References in this Offering Circular to *"Exempt Notes"* are to Notes for which no prospectus is required to be published under the Prospectus Regulation. The Central Bank of Ireland has neither approved nor reviewed any information contained in this Offering Circular in connection with Exempt Notes.

In respect of any Tranche (as defined under *"Terms and Conditions of the Notes"*) of Notes issued under the Programme, notice of the aggregate nominal amount of such Notes, interest (if any) payable in respect of such Notes, the issue price of such Notes and certain other information which is applicable to such Tranche 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 delivered to the Central Bank of Ireland and Euronext Dublin on or before the date of issue of the Notes of such Tranche. Final Terms relating to Notes to be listed on Euronext Dublin will also be published on the website of Euronext Dublin and will be available from the registered office of the Issuer and from the specified offices of each of the Paying Agents (as defined below). In respect of any Tranche of Exempt Notes, notice of the terms which shall apply to such Tranche will be set out in a pricing supplement document (the *"Pricing Supplement"*). Copies of Pricing Supplements in relation to Exempt Notes will only be obtainable by a holder of such Notes and such holder must produce evidence satisfactory to the Issuer or, as the case may be, the relevant Paying Agent as to its holding of such Notes and identity.

The Programme provides that Exempt Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets (provided that such exchange or market is not a regulated market for the purposes of MiFID II) as may be agreed between the Issuer and the relevant Dealer. The Issuer may also issue unlisted Exempt Notes and/or Exempt Notes which are not listed or admitted to trading on any stock exchange or market.

The long-term/short-term funding ratings of SBAB are A1/P-1 from Moody's Investors Service (Nordics) AB (*"Moody's"*) and A/A-1 from S&P Global Ratings Europe Limited (*"S&P"*). The Programme has been rated A1/P-1 by Moody's and A/A-1 by S&P. Each of Moody's and S&P is established in the European Union (the "*EU*") and is registered under Regulation (EC) No. 1060/2009 (as amended) (the *"EU CRA Regulation"*). Notes issued under the Programme may be rated or unrated by either of the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will be specified in the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes) and may not necessarily be the same as the rating applicable to the Issuer or the Programme generally by the relevant rating agency. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of regulation (EU) 2016/1011 (the "*Benchmarks Regulation*"). If any such reference rate does constitute such a benchmark, the Final Terms (or Pricing Supplement, in the case of Exempt Notes) will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("*ESMA*") pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmarks Regulation. Transitional provisions in the Benchmarks Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks (or, if located outside the EU, obtain recognition, endorsement or equivalence) at the date of the Final Terms (or Pricing Supplement, in the case of Exempt Notes). The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms (or Pricing Supplement, in the case of Exempt Notes) to reflect any change in the registration status of the administrator.

This Offering Circular will expire 12 months from its date of approval in relation 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 obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when a prospectus is no longer valid.

The date of this Offering Circular is 1 November 2022.

**Arranger and Initial Dealer**

**BofA Securities**

## IMPORTANT INFORMATION

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

**The Issuer accepts responsibility for the information contained in this Offering Circular and the Final Terms or Pricing Supplement, as the case may be, for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuer the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.**

**This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see *"Documents Incorporated by Reference"* below). This Offering Circular shall be read and construed on the basis that such documents are incorporated and form part of this Offering Circular.**

**The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €13,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement (as defined under *"Subscription and Sale and Transfer and Selling Restrictions"*)), subject to increase as described therein.**

**Save for the Issuer, no other party has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arranger or any of the Dealers as to the accuracy or completeness of the information contained or incorporated in this Offering Circular or any other information provided by the Issuer in connection with the Programme or any Notes. Neither the Arranger nor any Dealer accepts any liability in relation to the information contained or incorporated by reference in this Offering Circular or any other information provided by the Issuer in connection with the Programme or any Notes.**

**No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any of the Dealers.**

**Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, the Arranger or any of the Dealers that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Offering Circular nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuer, the Arranger or any of the Dealers to any person to subscribe for or to purchase any Notes.**

**Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the**

**same. The Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, the most recently published financial statements of the Issuer incorporated by reference into this Offering Circular when deciding whether or not to purchase any Notes.**

**The Notes have not been and will not be registered under the U.S. Securities Act of 1933 (the "*Securities Act*"), and may not be offered or sold in the United States (the "*U.S.*") or to, or for the account or benefit of, U.S. persons unless the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. See "*Form of the Notes*" for a description of the manner in which Notes will be issued. Registered Notes are subject to certain restrictions on transfer, see "*Subscription and Sale and Transfer and Selling Restrictions*".**

**This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Arranger and the Dealers do not represent that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger or the Dealers which is intended to permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Arranger and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Offering Circular or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Circular and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the EEA (including the Kingdom of Sweden, the Kingdom of Norway and France), the United Kingdom, Singapore and Japan. See "*Subscription and Sale and Transfer and Selling Restrictions*".**

**This Offering Circular has been prepared on a basis that would permit an offer of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) only in circumstances where there is an exemption from the obligation under the Prospectus Regulation to publish a prospectus. As a result, any offer of Notes in any Member State of the EEA (each, a "*Relevant State*") must be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer of Notes in that Relevant State may only do so in circumstances in which no obligation arises for the Issuer, the Arranger or any Dealer to publish a prospectus pursuant to Article 1 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer, the Arranger nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer, the Arranger or any Dealer to publish or supplement a prospectus for such offer.**

**Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the "*SFA*") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "*CMP Regulations 2018*"), unless otherwise specified before an offer**

**of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).**

**The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of its investment in light of its own circumstances. In particular, each potential investor should 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 an informed assessment of (i) the Terms and Conditions and Final Terms (or, in the case of Exempt Notes, Pricing Supplement) for the relevant Notes and (ii) the benefits and risks of investing in the relevant Notes, based upon the information contained or incorporated by reference in this Offering Circular or any applicable supplement;**

**(ii) has access to, and knowledge of, appropriate analytical tools to properly evaluate, in the context of the investor's particular financial situation, an investment in the relevant Notes and the impact such an investment would have on the investor's investment portfolio;**

**(iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where the currency for principal or interest payments is different from the currency in which such investor's financial activities are principally denominated;**

**(iv) thoroughly understands the Terms and Conditions and the Final Terms (or, in the case of Exempt Notes, Pricing Supplement) of the relevant Notes and is familiar with the behaviour of the financial markets (in particular with the Swedish financial market); 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 associated risks.**

**Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal 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 (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) 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 making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Notes being offered, including the merits and risks involved. The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Offering Circular or confirmed the accuracy or determined the adequacy of the information contained in this Offering Circular. Any representation to the contrary is unlawful.**

**None of the Arranger, the Dealers and the Issuer makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.**

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) acting as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising 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 terms of the offer of the relevant Tranche of Notes 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 of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and regulations.**

## U.S. INFORMATION

**This Offering Circular may be submitted on a confidential basis in the United States to a limited number of QIBs (as defined under "*Form of the Notes*") for informational use solely in connection with the consideration of the purchase of the Notes being offered hereby. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.**

**The Notes in bearer form 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 United States persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder.**

**Registered Notes may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act. Each U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes to it may be being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A under the Securities Act ("*Rule 144A*").**

**The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, any State securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Notes or the accuracy or adequacy of this Offering Circular. Any representation to the contrary is a criminal offence in the United States.**

**Each purchaser or holder of Notes represented by a Rule 144A Global Note or any Notes issued in registered form in exchange or substitution therefor (together the "*Legended Notes*") will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in "*Subscription and Sale and Transfer and Selling Restrictions*". Terms used in this paragraph have the meanings given to them in "*Form of the Notes*".**

## AVAILABLE INFORMATION

**To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are "restricted securities" within the meaning of the Securities Act, the Issuer has undertaken in a**

**deed poll dated 6 October 2004 (the *"Deed Poll"*) to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by him, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the Issuer is neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, (the *"Exchange Act"*) nor exempt from reporting pursuant to Rule 12g-2(b) thereunder.**

## SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

**The Issuer is a corporation under the laws of the Kingdom of Sweden. All of the officers and directors named herein reside outside the United States and all or a substantial portion of the assets of the Issuer and of such officers and directors are located outside the United States. As a result, it may not be possible for investors to effect service of process outside the Kingdom of Sweden upon the Issuer or such persons, or to enforce judgments against them obtained in courts outside the Kingdom of Sweden predicated upon civil liabilities of the Issuer or such directors and officers under laws other than Swedish law, including any judgment predicated upon United States federal securities laws.**

## MiFID II PRODUCT GOVERNANCE – TARGET MARKET

**The Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) 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 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 II Product Governance rules under EU Delegated Directive 2017/593 (the "MiFID II 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 II Product Governance Rules.**

## UK MiFIR PRODUCT GOVERNANCE – TARGET MARKET

**The Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) 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 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.**

## IMPORTANT – EEA RETAIL INVESTORS

**If the applicable 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 EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, 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 the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No. 1286/2014 on key information documents for packaged retail and insurance-based investment products (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.**

## IMPORTANT – UK RETAIL INVESTORS

**If the applicable 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 ("*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 UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("*EUWA*"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 and any rules or regulations made under the Financial Services and Markets Act 2000 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 UK 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 UK domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK 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.**

## PRESENTATION OF FINANCIAL INFORMATION

**All references in this Offering Circular to *"SEK"* refer to Swedish krona; to *"U.S. dollars" and "U.S.$"* refer to United States dollars; to *"Japanese Yen"* and *"Yen"* refer to Japanese Yen; to *"€", "EUR"* and *"euro"* 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 (the *"Treaty"*); to *"Sterling"* and "£" refer to pounds sterling; to *"NOK"* refer to Norwegian kroner; to *"DKK"* refer to Danish kroner; to *"CHF"* refer to Swiss Francs; to *"AUD"* refer to Australian dollars; to *"CAD"* refer to Canadian dollars, and to *"ZAR"* refer to South African Rand.**

## FORWARD-LOOKING STATEMENTS

**This Offering Circular may include forward-looking statements. Forward-looking statements are based on current plans, estimates and projections, and therefore investors should not place undue reliance on them. Words such as "expect", "anticipate", "believe", "intend", "estimate, "should" and other similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements.**

**Forward-looking statements speaks only as of the date they are made, and the Issuer undertakes no obligation to update any forward-looking statement in light of new information or future events. Forward-looking statements involve inherent risks and uncertainties, most of which are difficult to predict and generally beyond SBAB's control.**

**Although it is believed that the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements are reasonable, investors should bear in mind that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements, including assumptions relating to general economic conditions in Sweden, Europe and worldwide. Factors that could cause SBAB's actual operations, result or performance to differ from the forward-looking statements include, but are not limited to, those described in the section "Risk Factors".**

## USE OF WEBSITES

**In this Offering Circular, references to websites or uniform resource locators (URLs) are inactive textual references and are included for information purposes only. Save where expressly provided otherwise herein, the contents of any such website or URL shall not form part of, or be deemed to be incorporated into, this Offering Circular.**

**Neither any website referred to in this document or the contents of any such website forms part of this Offering Circular nor has been scrutinised or approved by the Central Bank of Ireland.**

## DEFINITIONS

**In this Offering Circular, references to the "SBAB Group" shall mean the Issuer and its subsidiaries.**

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## OVERVIEW OF THE PROGRAMME AND TERMS AND CONDITIONS OF THE NOTES

***The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms (or, in the case of Exempt Notes, the applicable 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 new offering circular will be published.***

This Overview constitutes a general description of the Programme for the purposes of Article 25(1)(b) of Commission Delegated Regulation (EU) No. 2019/980, to be read in conjunction with the Prospectus Regulation.

Words and expressions defined elsewhere in this Offering Circular shall have the same meanings in this Overview.

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| **Description:** | Euro Medium Term Note Programme |
| **Issuer:** | SBAB Bank AB (publ) |
| **Legal Entity Identifier (LEI):** | H0YX5LBGKDVOWCXBZ594 |
| **Arranger:** | BofA Securities Europe SA |
| **Initial Dealer:** | BofA Securities Europe SA |
| **Dealers:** | The Initial Dealer and any other Dealers appointed in accordance with the Programme Agreement.<br><br>Notes may also be issued to third parties other than Dealers on the basis of enquiries made by such third parties to the Issuer. |
| **Certain Restrictions:** | Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time including the following restriction applicable at the date of this Offering Circular.<br><br>**Notes having a maturity of less than one year**<br><br>Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent. |
| **Principal Paying Agent:** | The Bank of New York Mellon, London Branch |
| **Registrar:** | The Bank of New York Mellon, New York Branch |
| **VPS Trustee:** | Nordic Trustee AS or any other VPS Trustee as specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement). |

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| **Programme Size:** | Up to €13,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuer may increase the amount of the Programme in accordance with the terms of the Programme Agreement. |
| **Distribution:** | Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis. |
| **Currencies:** | Euro, Sterling, U.S. dollars, Yen, SEK, NOK, DKK, CHF, ZAR, AUD, CAD and any other currency agreed between the Issuer and the relevant Dealer, subject to any applicable legal or regulatory restrictions. |
| **Maturities:** | Such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency. |
| **Issue Price:** | Notes may be issued at an issue price which is at par or at a discount to, or premium over, par. |
| **Form of Notes:** | The Notes will be issued either (i) in bearer form, (ii) in registered form, or (iii) in the case of VPS Notes, in uncertificated and dematerialised book entry form registered in accordance with section 3-1 of the Norwegian Securities Depository Act of 15 March 2019 no. 6 in a Securities Depository approved or acknowledged under the EU central securities depositories (CSD) regulation (Regulation (EU) No 909/2014 of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directive 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012), which unless otherwise specified in the Final Terms will be the VPS. Bearer Notes may be issued initially in temporary global form or permanent global form depending on TEFRA designation. Registered Notes will not be exchangeable for Bearer Notes and *vice versa*. Bearer Notes may be issued in New Global Note ("*NGN*") form or Classic Global Note ("*CGN*") form.<br><br>VPS Notes will not be evidenced by any physical note or document of title. Entitlements to VPS Notes will be evidenced by the crediting of VPS Notes to accounts with the VPS. |
| **Interest:** | Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or a combination thereof and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series. |

**Fixed Rate Notes:** Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.

**Reset Notes:** Reset Notes will, in respect of an initial period, bear interest at the initial fixed rate of interest specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement). Thereafter, the fixed rate of interest will be reset on one or more date(s) specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) by reference to a Benchmark Gilt, United States Treasury Securities or 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 applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement). Such interest will be payable in arrear on the Interest Payment Date(s) specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) or determined pursuant to the Terms and Conditions.

**Floating Rate Notes:** Floating Rate Notes will bear interest at a rate determined:

(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., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or

(ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service,

as indicated in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement).

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.

In the case of (ii) above, the Agency Agreement (as defined under "*Terms and Conditions of the Notes*" below) contains

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| | provisions for determining the Rate of Interest in the event that the agreed screen page is not available. |
| **Benchmark Discontinuation (General):** | If Benchmark Discontinuation (General) is specified to be applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement in relation to a Floating Rate Note or a Reset Note, in the event that a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser to determine a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread, if any, and any Benchmark Amendments as described in Condition 4(d). |
| **Benchmark Discontinuation (SOFR):** | If Benchmark Discontinuation (SOFR) is specified to be applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement in relation to a Floating Rate Note, in the event that a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser to determine the SOFR Benchmark Replacement and any Benchmark Amendments as described in Condition 4(e). |
| **Zero Coupon Notes:** | Zero Coupon Notes will be offered and sold at a discount to their nominal amount 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, which will replace, modify and/or supplement those Terms and Conditions. |
| **Redemption:** | The applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Issuer and the relevant Dealer.<br><br>In respect of Senior Preferred Notes, if Investor Put is specified as applying in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) the Notes may be redeemed at the option of the Noteholders before their stated maturity as |

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| | described in Condition 6(e)(i). In addition, Senior Preferred Notes (if "MREL Disqualification Event – Senior Preferred Notes" is specified as being applicable in the applicable Final Terms (or in the case of Exempt Notes, Pricing Supplement)) and Senior Non-Preferred Notes may be redeemed prior to their stated maturity upon the occurrence of an MREL Disqualification Event (as defined in Condition 6(h)) and Subordinated Notes may be redeemed prior to their stated maturity upon the occurrence of a Capital Event (as defined in Condition 6(g)). No such early redemption or purchase of Notes may be made without the prior permission of the Relevant Regulator (as defined in the Conditions) if such permission is required.<br><br>Notes may also be redeemed prior to their stated maturity if as a result of any actual or proposed change in, or amendment to, the laws of the Kingdom of Sweden which change becomes effective after the Issue Date of the Notes, the Issuer would be obliged to pay additional amounts in respect of any Notes due to any deduction for or on account of withholding taxes imposed within the Kingdom of Sweden pursuant to Condition 7 or, if so specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement), upon the occurrence of a Tax Event (as defined in Condition 6(b)). No such early redemption or purchase of Notes may be made without the prior permission of the Relevant Regulator (as defined in the Conditions) if such permission is required.<br><br>Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution. See section *"Notes having a maturity of less than one year"* under *"Certain Restrictions"* above. |
| **Denomination of Notes:** | Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, and save that the minimum denomination of each Note (other than an Exempt Note) will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency at the time of issue). |
| **Taxation:** | All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed within the Kingdom of Sweden, subject as provided in Condition 7 of the Terms and Conditions of the Notes. In the event that any such deduction is made, the Issuer will, save in certain limited |

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| | circumstances provided in Condition 7 of the Terms and Conditions of the Notes and with respect to deductions on payments of interest only, be required to pay additional amounts to cover the amounts so deducted. |
| **Status of Senior Preferred Notes:** | Senior Preferred Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank *pari passu* (save for certain obligations required to be preferred by law) with all other unsecured obligations (other than subordinated obligations and Senior Non-Preferred Liabilities (as defined in Condition 3), if any) of the Issuer, from time to time outstanding. |
| **Status of Senior Non-Preferred Notes:** | Senior Non-Preferred Notes and any relative Coupons constitute and will constitute direct and unsecured obligations with Senior Non-Preferred Ranking of the Issuer. In the event of the voluntary or involuntary liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer, the rights of the holders of any Notes to payments on or in respect of such Notes shall rank: (i) *pari passu* with the rights and claims of holders of all other Senior Non-Preferred Liabilities of the Issuer; (ii) senior to the rights and claims of holders of all classes of share capital (including preference shares (if any)) of the Issuer and any subordinated obligations or other securities of the Issuer (including the Subordinated Notes and any Additional Tier 1 Instruments) which by law rank, or by their terms are expressed to rank, junior to the Senior Non-Preferred Liabilities of the Issuer; and (iii) junior to present or future rights and claims of (a) depositors of the Issuer and (b) other unsubordinated creditors of the Issuer (including holders of the Senior Preferred Notes) that are not creditors in respect of Senior Non-Preferred Liabilities of the Issuer. |
| **Status and Subordination of Subordinated Notes:** | Subordinated Notes will constitute direct, unsecured and subordinated obligations of the Issuer. In the event of the voluntary or involuntary liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer, the rights of the holders of any Subordinated Notes to payments on or in respect of such Notes will rank in accordance with the provisions of Condition 3(c). See Condition 3(c). |
| **Senior Preferred Notes, Senior Non-Preferred Notes and Subordinated Notes – Substitution or Variation:** | If the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) specify that Condition 6(i) applies, if at any time (in the case of Senior Preferred Notes (if "MREL Disqualification Event – Senior Preferred Notes" is specified as being applicable in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement)) or Senior Non-Preferred Notes) an MREL Disqualification Event occurs or (in the case of Subordinated Notes) a Capital Event occurs or if at any time (in |

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| | the case of any Notes) if Tax Event is specified as being applicable in the applicable Final Terms (or in the case of Exempt Notes, Pricing Supplement) a Tax Event occurs or the Issuer is required to pay additional amounts in accordance with Condition 6(b)(i)(A), then the Issuer may, subject to the prior permission of the Relevant Regulator (if such permission is required), substitute or vary the terms of such Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes, as the case may be, so that they remain, or become, Senior Preferred Qualifying Securities, Senior Non-Preferred Qualifying Securities or Subordinated Qualifying Securities, as the case may be, as provided in Condition 6(i). |
| **Events of Default:** | If any of the limited events described in Condition 9(a) occurs (namely non-payment or certain events relating to the insolvency or liquidation of the Issuer), the holders of Notes shall only be entitled to institute proceedings for the Issuer to be declared bankrupt or its winding-up or liquidation and prove or claim in the bankruptcy or liquidation of the Issuer. Holders may claim payment in respect of Notes only in the bankruptcy or voluntary or involuntary liquidation of the Issuer. |
| **Negative Pledge:** | The Terms and Conditions of the Notes do not contain negative pledge provisions. |
| **Rating:** | Details of the rating of any Tranche of Notes to be issued under the Programme will (if applicable) be specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement). A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating organisation. |
| **Listing and Admission to Trading:** | Application has been made to list Notes issued under the Programme on the Official List and to admit them to trading on the Regulated Market or as otherwise specified in the applicable Final Terms and references to listing shall be construed accordingly.<br><br>Exempt Notes may also be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the Issuer and the relevant Dealer in relation to each Series (provided that such exchange or market is not a regulated market for the purposes of MiFID II). Exempt Notes which are neither listed nor admitted to trading on any stock exchange or market may also be issued.<br><br>The applicable Final Terms relating to each Tranche of listed Notes will state when the relevant Notes are to be listed and admitted to trading. |

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| | The applicable Pricing Supplement relating to each Tranche of Exempt Notes will state whether or not the relevant Notes are to be admitted to trading and, if so, on which stock exchanges and/or markets. |
| **Governing Law:** | The Notes and any non-contractual obligations arising out of or in connection with the Notes shall be governed by, and construed in accordance with, English law save for (i) Condition 3 of the Terms and Conditions of the Notes which will be governed by, and construed in accordance with, Swedish law and (ii) the registration of VPS Notes in the VPS as well as the recording and transfer of ownership to, and other interests in, VPS Notes and Condition 14(b) which will be governed by, and construed in accordance with, Norwegian law. The VPS Trustee Agreement and VPS Agency Agreement will be governed by, and construed in accordance with, Norwegian law.<br><br>VPS Notes must comply with the relevant regulations of the VPS and the holders of VPS Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under the relevant Norwegian regulations and legislation. |
| **Selling Restrictions:** | There are restrictions on the offer, sale and transfer of the Notes in the United States, the EEA (including the Kingdom of Sweden, the Kingdom of Norway and France), the United Kingdom, Singapore and Japan and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. |
| **United States Selling Restrictions:** | Regulation S, Category 2.<br><br>Bearer Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the "*Code*")) ("*TEFRA D*") unless (i) the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) states that the Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) ("*TEFRA C*") or (ii) the Notes are issued other than in compliance with TEFRA D or TEFRA C, 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 applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) as a transaction to which TEFRA is not applicable. |

# RISK FACTORS

*In this section, material risk factors are illustrated and discussed, including the Issuer's economic and market risks, business risks, legal and regulatory risks, as well as risks relating to the structure of a particular issue of Notes, risks related to interest payments, other risks relating to Notes and risks related to the market generally. 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. Any of the risk factors below could have a material adverse effect on the Issuer, its business, results of operations, financial condition and prospects and its ability to pay principal and/or interest on the Notes. The description of the risk factors below is based on information available and estimates made on the date of this Offering Circular.*

*The risk factors are presented in categories where the most material risk factors in a category are 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.*

## Risks relating to the Issuer

### Economic and market risks

***Risks relating to disruptions in the global credit markets and economy***

As a financial institution and lender, the Issuer is subject to risks related to the global credit markets and economic development, since financial institutions, both in Sweden and globally, are dependent on the global credit market and economy being opulent, so that people are willing and able to take up loans. For the Issuer, the risk is specifically linked to customers' willingness to buy and own homes that require them to apply for mortgage loans from the Issuer. Any disruption or downturn in the global credit markets and economy would typically thus affect the Issuer, both in respect of financial performance and growth possibilities. Any downturn in the economy together with an increase in unemployment levels, would contribute to slower growth in household disposable income and, at least in the short run, higher savings and thereby accentuate these risks.

Since the SBAB Group and the Issuer are subject to risks related to the global economy, the SBAB Group and the Issuer are affected by, for example, war in neighbouring countries, rising energy prices and public health epidemics or outbreaks of diseases that may negatively affect the global economy such as the coronavirus (COVID-19) outbreak. Rapid and forceful measures, such as sanctions, trade restrictions and shutdowns, can lead to significant supply and demand disruptions, and result in rapidly changing prices and changes in pace of economic development. Such events can also result in substantial movements in the financial markets in the form of, for example, dramatic increases or decreases in interest rates, rising credit spreads and volatile and falling stock markets. Ultimately, the long-term economic consequences, including consequences on the financial markets in general and the SBAB Group in particular, depend on the duration of the relevant crisis and measures taken by governments, central banks and other agencies.

Moreover, Sweden, being a small economy dependent on exports, is largely dependent on the development of the global economy and the global financial markets. This means that although the Swedish economy, in isolation, may perform well, a negative development in the global economy normally influences the Swedish economy in such manner that the Swedish economy also develops negatively. Any sustained decline in the general economic conditions of Sweden is, given the Issuer's dependency on the same, likely to lead to, among other things, a decrease in the demand for certain loans offered by the Issuer, increased cost of funding, volatile fair values of the financial instruments held by the Issuer, a decrease in net interest income and net interest margin, and increased loan impairment charges, all of which would result in lower profitability

and a deteriorated financial position. 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 Swedish housing market***

During the intense phase of the coronavirus pandemic, housing prices in Sweden rose by about 20 per cent. However, from March 2022 to August 2022 housing prices have fallen by around 9 per cent., and there is a clear probability that housing prices will continue to fall further as interest rates are expected to continue to rise. It is unclear how quickly and to what level interest rates will rise. With regard to new homes, the construction rate of new multi-family dwellings has been relatively high for some years now, which is why the demand in that particular market segment may not be strong enough and could be subject to a decline in upcoming years, which could have a negative impact on the housing market. In addition, a couple of years ago, many housing developers experienced difficulties with selling parts of their newly produced units. In some local markets, signals indicate that the supply of newly produced housing has been greater than the actual demand (i.e. willingness to pay). Examples of such signals include longer advertisement times, fewer bidders per property, falling bid premiums and a larger proportion of housing with lowered prices. At present, these indications are few, although there are signs that the positive trend of recent years is reversing, with a greater risk that the Swedish housing market could deteriorate. If the Swedish housing market were to decline, and demand for new loans, as a consequence, were to significantly decrease, this would negatively affect demand for the Issuer's loan offerings, thereby adversely affecting its business, results of operations and margins.

Moreover, house prices may be negatively affected by, for example, changes in regulations affecting the Swedish mortgage market directly or indirectly or by a quick rise in interest rates or unemployment levels. Legal requirements, such as changes to the amortisation requirements or changes to the level of the mortgage ceiling, may affect housing prices, in particular in urban areas where the market value is higher and more sensitive to such regulations, which in turn could affect mortgage lending growth. Furthermore, further tightening of monetary policy is expected to have a negative impact on housing price developments. More restrictive regulations or tightening of monetary policies that hold back house price development would further accentuate the risk of decreased demand for new loans in general, including loans that could be originated by the Issuer.

The above described risks are material to the Issuer as a significant amount of the loans provided by the Issuer are secured by mortgage certificates (Sw. *pantbrev*) in respect of properties, or pledges over tenant-owners' rights (Sw. *bostadsrätt*), located in Sweden. The degree to which a declined Swedish housing market may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's credit quality.

***Risks relating to the Swedish mortgage market***

The Issuer's operations consist primarily of lending to the Swedish residential mortgage market aimed at individuals, tenant-owner associations and corporate clients, the majority of which are concentrated in major metropolitan areas in Sweden. One of the main risks related to the Swedish residential mortgage market is the credit risk associated with borrowers' creditworthiness, their ability to pay under the mortgage loan, and the value of the mortgaged properties. The debt-to-income ratio of borrowers is at a comparatively high level, which affects the risk profile among the Issuer's customers as interest rates rise. High inflation has not only led to higher, and still rising, interest rates, but also means that many other household living costs are rising faster, which contributes to a higher credit risk. As the Issuer's operations primarily consist of lending to the Swedish residential mortgage market, any negative development of the Swedish mortgage market resulting in, among other things, a noticeably lower demand for mortgages, would have a material adverse effect on the Issuer's results of operations and financial condition.

Although the Swedish mortgage market is currently dominated by a few institutions, consisting of banks, such as the Issuer, and bank owned mortgage companies, new competitors have appeared in recent times. Due to increased competition amongst lenders, the Issuer's business would face declining earnings should the Issuer, for example, be required to reduce interest levels in order to keep market shares, thereby adversely affecting its margins. Furthermore, due to the high level of interdependence between financial institutions, the Issuer is also subject to the risk of deterioration of the actual or perceived commercial and financial soundness of other financial institutions. Any default or financial difficulties of one financial institution is likely to have negative consequences for other financial institutions and would lead to liquidity problems, losses, defaults or worsening of the general economic climate in the local markets in which the Issuer operates. This means that the Issuer is subject to risks related to the banking sector as such, and risks related to other financial institutions. The degree to which negative developments in the Swedish mortgage housing market may affect the Issuer is uncertain and presents a highly significant risk of a negative impact on demand for mortgage loans originated by the Issuer.

***Risks relating to Sweden***

The Issuer's financial performance is significantly influenced by the general economic conditions of Sweden and Sweden's creditworthiness. As at the date of this Offering Circular, financial instruments issued by the central government in Sweden are rated Aaa (long-term) and P-1 (short-term) by Moody's, and AAA (long-term) and A-1+ (short-term) by S&P. As the Issuer conducts all its business activities in Sweden, changes in the general economic conditions of Sweden and Sweden's creditworthiness are likely to affect to Issuer more significantly compared to competitors and other financial institutions that offer loans to a broader market segment.

These ratings may change negatively in the future due to, for example, poor economic performance, weak gross domestic product (GDP) growth outlooks and unsustainable fiscal policy. Since credit ratings inform about the credit risk associated with Sweden, the willingness of investors to invest in financial instruments issued by the Issuer is largely dependent on high credit ratings and, in turn, the creditworthiness of Sweden. Consequently, should the general economic condition of Sweden and Sweden's creditworthiness deteriorate, the willingness of investors to invest in financial instruments issued by the Issuer are likely to decline. The degree to which the general economic conditions of Sweden and Sweden's creditworthiness may affect the Issuer is uncertain and presents a highly significant risk of a negative impact on the willingness of investors to invest in financial instruments issued by the Issuer and a negative impact on the Issuer's rating and operations.

***Risks relating to the Issuer's collateral***

A considerable part of the loans provided by the Issuer are secured by mortgage certificates in respect of properties located in Sweden or pledges of Swedish tenant-owners' rights in Sweden as collateral, and the value of such collateral is consequently related to the performance of the real estate and housing market in Sweden. Perfecting and enforcing such collateral is subject to risks. For instance, there is no official record in Sweden stating whether a tenant-owner's right is pledged. When taking such security, the Issuer is therefore reliant on data provided by the relevant tenant-owners' association (Sw. *bostadsrättsförening*) and is thus exposed to the risk that the association's records are not correct.

In addition, when collateral is enforced, a court order is normally required to establish the borrower's obligation to pay and to enable a sale by execution measures. The Issuer's ability to enforce the collateral without the consent of the borrower is thus dependent on the above-mentioned decisions from a court and the execution measures and on other relevant circumstances in the mortgage Swedish market and in the demand for the relevant property. Should the prices of real estate and the housing market substantially decline, this would affect the Issuer, as the value of the collateral would decline as set out above. If the Issuer's credit losses

increase due to the fact that principal and interest under defaulting loans cannot be recovered where the relevant collateral has decreased in value, this would have a negative impact on the Issuer's results of operations.

## Risks relating to the Issuer's business

### *Credit risk*

Since the Issuer conducts lending operations, credit risk – the risk that a counterparty is unable to fulfil its payment obligations towards the Issuer – is central to the Issuer's business model and is considered to be the dominant risk in its operations. Credit risk arises both in the Issuer's lending operation and its treasury operations.

Credit risk in the Issuer's lending operations arises if one or more debtors do not fulfil their payment obligations towards the Issuer. Credit risk arises in conjunction with loans and loan commitments, as well as in connection with value changes in pledged assets entailing that these no longer cover the Issuer's claim (i.e., within the ordinary course of the Issuer's business). Credit risk also includes concentration risk, which is more likely to materialise in connection with large exposures to individual counterparties, regions or industries (i.e., within the Issuer's operations that include, for example, governmental counterparties such as municipalities). Investment risk arises in relation to financial investments if a debtor does not fulfil its payment obligations, meaning it either pays late or not at all. Investment risk arises through investments in the Issuer's liquidity portfolio and the investment of surplus liquidity. Counterparty risk arises if the value of the instrument changes resulting from variations, for example, in interest rates or currency exchange rates, which means the Issuer recognises a receivable against the counterparty. In addition, counterparty risk is the risk that the Issuer's financial counterparties cannot meet their commitments under the contracted repos.

Should any such credit risk materialise, there is a risk of an increase in the number of loans not being paid. It would also require the Issuer to take measures to collect such defaulted loans (which might be costly and unsuccessful). Adverse changes in the credit quality of the Issuer's borrowers and counterparties would affect the recoverability and value of the Issuer's assets and require an increase in the Issuer's provision for bad and doubtful debts and other provisions. The degree to which credit risks may affect the Issuer is uncertain and presents a highly significant risk to the recoverability and value of the Issuer's assets.

### *Market risk*

Market risk is the risk of loss or reduced future income due to market fluctuations. The Issuer's most significant exposure towards market fluctuations derives from its dependency on interest rates, currency exchange rates and changing conditions between interest costs for different issuers that affects the value of the Issuer's liquidity portfolio. Since the Issuer conducts lending operations, the Issuer is largely dependent on interest rate levels as interest rates are the single most important factor that affects margins in connection with its core business, i.e. lending. Variations in interest rates may result in losses or lower future income, as assets and liabilities have different fixed-interest periods and interest terms. Further, the Issuer currently conducts its lending operations in SEK (the Issuer's reporting currency), but may fund itself in foreign currencies. The Issuer may also hold securities denominated in currencies other than SEK within the SBAB Group's liquidity portfolio. Changes in the exchange rate for SEK against other currencies may affect the value of assets and liabilities denominated in foreign currencies and result in mark-to-market losses or lower future income.

Against this background, a liquid derivative market enabling the Issuer to swap foreign currencies and interest rates to reduce its market risk is essential and any significant disruption in the access to such market would harm the Issuer and further enhance the risks associated with the Issuer's exposure to interest rates and foreign currencies, as described above.

Furthermore, the value of the assets held within the Issuer's liquidity portfolio are dependent on the interest cost related to the Issuer of the relevant security, and any negative change in such conditions may adversely affect the value of the Issuer's liquidity portfolio. The value of the Issuer's liquidity portfolio is further typically affected by the performance of financial markets. The value of the Issuer's liquidity portfolio is critical for the Issuer's ability to meet its liquidity requirements, and any significant decrease in value is likely to affect Issuer's capacity to fulfil these requirements.

***The risk of failure or interruption to the Issuer's IT and other systems***

The Issuer's business is dependent on the ability to keep a large amount of customer information and to process a large number of transactions as well as on internal and external systems for its loan distribution. The Issuer's business is thus dependent on its IT-systems to serve customers, support the Issuer's business processes, ensure complete and accurate processing of financial transactions and support the overall internal control framework.

Disruptions in the Issuer's IT infrastructure or other systems may, for example, be caused by internal factors such as larger projects for replacing or upgrading existing IT platforms and/or systems, which, if replaced or upgraded inappropriately, risks resulting in IT platforms and/or systems that do not function as expected and result in, among other things, unreliable data processing with impact on financial reporting. There is also a risk for disruptions caused by external factors such as the availability of experts required for technical support or completion of ongoing projects. For example, should the Issuer face severe disruptions in its telephone and communication platforms, customers would be unable to contact the Issuer via telephone and email. Given that the Issuer does not have any offices for physical customer meetings and instead meets its retail customers and users digitally or by telephone this risk is likely to have a significant impact on the Issuer, both as regards its reputation and lending operations, but also, as a consequence, as regards its results of operations and margins.

Despite an ongoing extensive project to replace the Issuer's system platform, parts of its infrastructure have become obsolete and outdated. The Issuer has identified risks indicating that the change is not proceeding fast enough with development-related disturbances in daily operations and that the lifecycle management of other support systems might lag behind. Accordingly, this accentuates the IT-related risks and thus further increases 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.

***Operational and cyber risk***

Operational risk is the risk of losses due to inappropriate or unsuccessful processes, human error, faulty systems or external events, including legal risks. Operational risk and losses often result from fraud or other external or internal crime, errors by employees, failure to document transactions properly or to obtain proper internal authorisation, failure to comply with regulatory requirements and conduct of business rules, equipment failures, natural disasters or the failure of internal or external systems, for example, those of the Issuer's suppliers or counterparties. The Issuer's business is also dependent on the ability to process a very large number of transactions within the ordinary course of the Issuer's operations. Any failure in conducting such transactions efficiently and accurately due to operational risks being materialised may thus adversely affect the Issuer's operations.

Furthermore, significant operational risks include cyber-related risks. The cyber-threat to the Swedish financial sector is extensive and persistent. A breach in security of the Issuer's IT systems risks compromising the availability of important systems and may disrupt the Issuer's business. There is also a risk of social engineering attempts and the disclosure of sensitive or confidential information, which would create significant financial and legal exposure, and damage the Issuer's reputation and brand. Since the Issuer's business in all

important aspects is digitalised (for example, mortgage applications are filed online), these risks are more prominent to the Issuer compared to competitors and other lenders whose operations are less digitalised. The degree to which operational failure or the occurrence of a cyber-related incident may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's ability to carry out transactions efficiently and accurately.

***Liquidity risk***

Liquidity risk is the risk that the Issuer will not be able to meet its payment obligations on their maturity at all or without the related cost increasing significantly. Short-term liquidity risk measures the risk of the Issuer being negatively impacted in the short term by a lack of liquidity, while structural liquidity risk is a measure of the mismatch between assets and liabilities in terms of maturities, which risks leading to a lack of liquidity in the longer term. The Issuer is subject to liquidity requirements in its capacity as a credit institution supervised by the Swedish FSA, including a statutory requirement to maintain sufficient liquidity to enable it to discharge its obligations as they fall due. The inability of the Issuer to anticipate future liquidity and provide for unforeseen decreases or changes in funding sources could have consequences on the Issuer's ability to meet its payment obligations when they fall due and thus result in an investor not being paid in a timely manner.

Also, as a part of the Issuer's activities, the Issuer regularly sells mortgage loans to its subsidiary AB Sveriges Säkerställda Obligationer (publ) (with the parallel trade name The Swedish Covered Bond Corporation) ("SCBC"). The Issuer's claims for the purchase price of the mortgage loans acquired by SCBC are (fully or partially) repaid concurrently with the issue of covered bonds by SCBC. The Issuer's claims in relation to such sales, as well as other claims (unless arising under any derivative agreement entered into pursuant to the Swedish Act on Issuance of Covered Bonds (Sw. *lagen (2003:1223) om utgivning av säkerställda obligationer)*) such as claims under a revolving credit facility agreement between the Issuer as lender and SCBC as borrower, are subordinated to all unsubordinated claims against SCBC in SCBC's bankruptcy or liquidation. Thus, if SCBC becomes bankrupt or is liquidated or if SCBC is unable to issue covered bonds, the Issuer is likely to have outstanding subordinated claims against SCBC and is exposed to the risk of not get fully repaid or repaid in a timely manner. This may adversely affect the Issuer's liquidity and financial position.

As part of its funding, the Issuer accepts deposits from the Swedish general public, the majority of which are repayable on demand. Should a major part of the deposits be withdrawn simultaneously or during of short period of time, this would adversely affect the Issuer's liquidity since it will be required to repay a significant amount on demand. The degree to which liquidity risks may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's ability to meet its payment obligations when they fall due.

***Funding risk***

The Issuer is dependent upon the debt capital markets as a source of debt capital. Disruptions, uncertainty and/or increased volatility in the global debt capital markets may have an adverse effect on the terms on which the Issuer is able to raise debt or the ability to raise debt at all. This could be due to circumstances out of the control of the issuer such as general market disruptions or loss in confidence in financial markets stemming from for example severe changes in the economic outlook or external macro-economic shocks, uncertainty and speculation regarding the solvency of market participants or operational problems affecting third parties.

Also, any downgrade of the Issuer's credit ratings, or the credit ratings of a significant subsidiary, such as SCBC, is likely to increase the Issuer's borrowing costs, adversely affect its liquidity position, limit its access to the debt capital markets, undermine confidence in and the competitive position of the Issuer, trigger obligations under certain bilateral terms in some of its trading and collateralised financing contracts, including

requiring the provision of additional collateral and/or limit the range of counterparties willing to enter into transactions with the Issuer.

Any of the events above could lead to increased funding costs with decreased margins and incomes from SBAB's core business, i.e. mortgage lending, and could therefore have an immediate and material adverse effect on the Issuer's business and results of operations.

Furthermore, since the Issuer's shares are not listed, it does not have direct access to the equity capital markets, and as a consequence, the Issuer is partly dependent upon its owner (the Kingdom of Sweden) as a source of equity capital. If the owner does not provide the Issuer with equity capital to the extent the Issuer needs and/or if the debt capital markets are not available to the Issuer or the cost of debt capital is significantly increased, this is likely to affect the liquidity and funding of the Issuer and, consequently, the Issuer's capacity to fulfil its payment obligations. The degree to which funding risks may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's capacity to fulfil its payment obligations.

***Environmental, Social and/or Governance 'ESG' risks***

There is a risk that the Issuer's operations have a direct or indirect negative effect on, or are directly or indirectly negatively affected by Environmental, Social and/or Governance ("ESG") factors.

The Issuer's exposure to environmental and climate risks primarily arises in conjunction with its grant of credit. Environmental and climate risks arise when financing new production and redevelopment projects, but also in existing holdings in areas exposed to increased sea levels or temporary floodings. Changes in the average annual temperature have consequences for the climate in the form of rising sea levels, flooding, extreme weather, heat stress, drought, more rain, earlier springs, lower ground water levels and fresh water shortages. For buildings and other collateral, it is thus important for the Issuer to assess and monitor the risks of flooding, landslides and erosion. Increased extremes in surface water levels that increase water penetration in basements and cause problems with dampness are likely to lead to assets and other collateral decreasing in value, thereby increasing the Issuer's risk of credit losses (since borrowers would face difficulties in repaying their loans should the collateral decrease in value). Since properties are used as collateral for an absolute majority of the loans provided by the SBAB Group, this risk is highly significant.

Furthermore, the Issuer is exposed to risks linked to human rights, personnel-related matters and social conditions in conjunction with lending to new production projects and customers with a high proportion of subcontractors. The controls performed by the main contractor in areas such as working conditions are made more complex when production is outsourced. The import of prefabricated material from other countries also entails risk, since the Issuer does not know the conditions that apply for the production. Finally, since the Issuer handles payments both in lending and financing, it is exposed to corruption risk. The risk is highest in the beginning of a relationship, but is also present in all engagements. The Issuer's main exposure to corruption risk arises in conjunction with its grant of credit and deposit accounts for private customers. The degree to which ESG-risks may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's collateral value and reputation.

***Compliance***

The banking and financing sector is heavily regulated and, as a group conducting banking and financing operations, the SBAB Group is subject to regulations and regulatory supervision pursuant to numerous directives, laws, regulations and policies issued by, inter alia, the European Union (the "EU") and Sweden. Legal or regulatory developments and/or changes in supervisory policies or evaluation methods could have an adverse effect on the SBAB Group's financial strength (should it adversely affect the value of its assets), how the SBAB Group conducts its business (should it adversely affect the products and services it offers) and on the

SBAB Group's results of operations (should it entail unexpected costs and/or impose restrictions on the development of the SBAB Group's business operations or otherwise affect its earnings).

As a lender to the Swedish residential mortgage market, the SBAB Group processes large quantities of personal data on 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"). Any administrative and monetary sanctions or reputational damage due to breach of the GDPR would have an adverse effect on SBAB's financial position. Apart from the unexpected costs of any sanctions or damages such measures could lead to negative publicity in the media and/or reduced confidence from customers and other stakeholders which ultimately could adversely impact the SBAB Group's business, financial condition and results of operations.

As a bank, the Issuer is subject to a regulatory framework which requires the Issuer to take measures to counteract money laundering and terrorist financing within its operations. There is a risk that the Issuer's procedures, internal control functions and guidelines to counteract money laundering and terrorist financing are insufficient or not complied with, and that the Issuer's internal control functions are not adequate, to ensure that the Issuer complies with the regulatory framework. Such insufficiency or inadequacy may result in a failure to comply with the anti-money laundering regulatory framework.

Non-compliance with, as well as deficiencies in, guidelines and policies implemented to ensure compliance with regulatory frameworks that lead to negative publicity, negative consequences or criticism from inter alia the Swedish FSA or other regulators within the financial sector would have a material adverse effect on the Issuer's reputation, which is likely to adversely affect demand for loans offered by the Issuer. Furthermore, any non-compliance that would lead to legal implications, including remarks or warnings and/or significant administrative fines imposed by the Swedish FSA or other regulators, would require the Issuer to pay amounts (which may be significant) and take measures to ensure compliance. This could cause significant, damage to the reputation of the SBAB Group and, as a result, the SBAB Group's business (should the demand for its products and services decrease), financial condition (should the value of its assets decrease) and results of operations (should its revenue decrease and/or its costs increase) could be materially adversely affected.

## Legal and regulatory risks relating to the SBAB Group

### *Compliance with and changes in tax legislation*

In 2021, the SBAB Group's tax expenses totalled SEK 560 million. Should the SBAB Group's tax situation for previous, current and future years change (as a result of legislative changes and decisions made by the tax authorities or as a result of changed tax treaties, regulations, case law or requirements of the tax authorities, potentially with retroactive effect), it could adversely affect the SBAB Group's business (should taxes imposed on its products and services negatively impact the demand for such products and services), financial condition (should taxes negatively impact the value of its assets) and results of operations (should taxes increase its costs and thus decrease, among other things, its operating profits). Furthermore, in 2021, the SBAB Group's deferred tax assets(+)/liabilities(-) totalled SEK -304 million. The recognition of deferred tax assets/liabilities pertaining to deductible temporary differences or loss carry-forwards is based on management's assessment of the future likelihood of the company generating taxable profits corresponding to the basis for deferred tax assets. Incorrect assessments risk having a material impact on the SBAB Group's results of operations and financial position. Any such events or incorrect assessments thus risk leading to increased tax expenses or additional taxes, and there is a risk these encompass significant amounts.

In addition, new legislation on financial services (Sw. *lagen (2021:1256) om riskskatt för kreditinstitut*) came into force on 1 January 2022. Under this legislation, Swedish credit institutions and Swedish branches of

foreign credit institutions with liabilities in excess of SEK 150 billion (pursuant to the 2022 threshold, which is indexed) (which currently includes the SBAB Group) are subject to the tax. In general, the tax is based on each credit institution's opening balance of liabilities and subject to tax rates of 5 basis points for the fiscal year beginning in 2022 and 6 basis points for the fiscal year beginning in 2023. The tax is deductible for income tax purposes. This bank levy will result in the SBAB Group's tax expenses increasing and may thus have a negative impact on its financial position.

***Regulatory capital and liquidity requirements***

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 ("**CRD IV**"), as amended by Directive (EU) 2019/878 ("**CRD V**"), and the EU Capital Requirements Regulation (EU) No. 575/2013 ("**CRR**"), as amended by Regulation (EU) 2019/876 ("**CRR II**") and 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 "**EBA**"). The regulatory framework may 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**") capital, additional tier 1 capital and tier 2 capital. CRR II also introduced 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 fulfilled 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 29 September 2021, the Swedish FSA communicated that the countercyclical buffer rate was to be increased from 0 per cent. to 1 per. cent on 29 September 2022, and to 2 per cent. with effect from 22 June 2023. 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.

Furthermore, a degree of uncertainty prevails surrounding future capital requirements due to forthcoming regulatory changes in the near future. Among other actions and recent changes, in autumn 2020, the Swedish FSA has proposed regulatory amendments and a change in the application of capital requirements for Swedish banks in order to adapt them to the EU's banking package. This pertains primarily to the introduction of leverage ratio requirements, changes in the application of Pillar 2 requirements as well as the Swedish FSA's position related to the implementation of Pillar 2 guidelines and the application of the capital buffers. Legislative amendments linked to the CRD V entered into force on 29 December 2020. Binding leverage ratio requirements entered into force on 28 June 2021. The Swedish FSA has also proposed a new method for assessing additional capital charges within Pillar 2 for market risks in other operations, which have applied since 1 January 2021. The Swedish FSA has previously announced that it expects Swedish banks to analyse and update their current rating systems to adapt for the internal ratings-based approach which is expected to be implemented in 2022. On 24 September 2021, the Swedish FSA communicated to the Issuer its decision regarding increased capital requirements as a result of a supervisory review and evaluation process. In addition to existing Pillar 2 requirements, the Issuer has also been given a Pillar 2 add-on within internal models which is expected to be in place until new internal models are implemented. Overall, these recent and forthcoming regulatory changes are expected to increase the future capital adequacy requirements for banks in Sweden, including the SBAB Group.

The conditions of the SBAB Group'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. For the foregoing reasons, the SBAB Group is potentially required to raise additional capital in the future. Such capital, whether in the form of debt financing, hybrid capital or additional equity, is not always available on attractive terms, or at all. If the SBAB Group 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 or increase its costs, all of which may adversely affect the SBAB Group's ability to raise additional capital and make payments under instruments such as the Notes.

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 against the Issuer. Further, any increase in the capital and liquidity requirements could have a negative effect on the SBAB Group'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 capital 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***

As a bank and a financial institution, the Issuer is subject to the Bank Recovery and Resolution Directive ("**BRRD**") (which was amended by Directive (EU) 2019/879 ("**BRRD II**") on 27 June 2019). The BRRD legislative package establishes a framework for the recovery and resolution of credit institutions and, *inter alia*, requires EU credit institutions (such as the Issuer) to produce and maintain recovery plans setting out the arrangements that are to be taken to restore the long-term viability of the institution in the event of a material deterioration of its financial condition. Accordingly, the requirements under the BRRD are comprehensive, and require the Issuer to take extensive measures to ensure compliance.

The BRRD contains a number of resolution tools and powers which may be applied by the resolution authority upon certain conditions for resolution being fulfilled. These tools and powers (used alone or in combination) include, *inter alia*, a general power to write-down all or a portion of the principal amount of, or interest on, certain eligible liabilities, whether subordinated or unsubordinated, of the institution in resolution and/or to convert certain unsecured debt claims including senior notes and subordinated notes into other securities, 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, the Notes, which in turn includes, for the avoidance of doubt, any Notes specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) as "Green Bonds" ("**Green Bonds**")) could be subject to bail-in, except for certain classes of debt, such as certain deposits and secured liabilities. In addition to the general bail-in tool, the BRRD provides for relevant authorities to have the power, before any other resolution action is taken, to permanently write-down or convert into equity relevant capital instruments (such as the Subordinated Notes issued under the Programme) at the point of non-viability (see the risk factor *"Loss absorption at the point of non-viability of the Issuer"* below for further information). Ultimately, the authority has the power to 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 approval.

It is not possible to predict exactly how the powers and tools of the Swedish resolution authority (the Swedish National Debt Office (Sw. *Riksgäldskontoret*)) provided in the BRRD (as implemented into Swedish law) will affect the Issuer and the SBAB Group. However, 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**") set by the relevant resolution authorities on a case by case basis.

In early June 2021, the Swedish legislator approved new legislation attributable to the Swedish implementation of BRRD II. The new legislation entered into force on 1 July 2021, including, inter alia, amendments to the applicable minimum MREL requirement. Amongst other things, the new legislation stipulates that the new MREL requirements shall be fully complied with from 1 January 2024. This includes a minimum Pillar 1 subordination requirement for "top-tier" banks (including the SBAB Group). This Pillar 1 subordination requirement is to be satisfied with own funds and other eligible MREL instruments meeting the applicable CRR requirements, including MREL instruments constituting senior non-preferred debt.

In December 2021, the Swedish National Debt Office decided on the MREL and subordination requirement that will apply to the Issuer and the SBAB Group from 1 January 2024. In order to ensure a linear phase-in of the new requirements, the Swedish National Debt Office also decided on the target levels applicable to the Issuer and the SBAB Group as of 1 January 2022. Although the full requirement will not apply until 2024, the Issuer and the SBAB Group will be required to issue an amount of additional eligible liabilities in the form of senior non-preferred debt or other eligible MREL instruments in order to meet the new MREL requirements within the required timeframes.

If the SBAB Group were 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 SBAB Group's revenue which, if its costs remain unchanged, would decrease its operating result.

Further, given that the new MREL requirements must be met by all EU credit institutions, there is a risk that there is not a 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.

***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 SBAB Group's and the Issuer's financial statements. These changes are sometimes difficult to predict and could materially impact how the SBAB Group and the Issuer record and report their results of operations and financial condition. Changes in accounting standards may have an adverse effect on the Issuer's financial condition, as, *inter alia*, the value of its assets may decrease, which may negatively affect its amount of funds available for payments under the Notes.

In July 2014, the IASB issued a new accounting standard, International Financial Reporting Standard 9 (*Financial Instruments*) ("**IFRS 9**"), which became effective from 1 January 2018 and replaced IAS 39. IFRS 9 provides a new general hedge accounting model, to replace IAS 39, which is yet to be completed with a portfolio hedging model. The replacement of IAS 39 with IFRS 9 is not mandatory until the model is complete and the new model has not yet been implemented by the SBAB Group. It is currently not possible to determine the extent of the impact that an implementation of the hedge accounting model under IFRS 9 will have on CET1 capital as the new rules, 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, there is a risk that the SBAB Group and/or the Issuer will be required to obtain additional capital in the future. There is, however, a risk that new equity capital or debt financing qualifying as regulatory capital will not be available on attractive terms, or at all. The degree to which changes in accounting standards may affect the Issuer is uncertain and presents a highly significant risk to the Issuer's costs for regulatory capital.

## Risks Relating to the Notes

## Risks related to all Notes under the Programme

***The Notes are obligations of the Issuer only***

Investors investing in the Notes assume a credit risk on the Issuer. The Notes are solely obligations of the Issuer and are not obligations of, or guaranteed by, any other entities. In particular, the Notes are not obligations of, and are not guaranteed by, the Kingdom of Sweden, SCBC or any other entity in the SBAB Group. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes shall be accepted by any of the Kingdom of Sweden, SCBC or any other entity in the SBAB Group.

***The Issuer is not prohibited from issuing further debt, which may rank pari passu with or senior to the Senior Non-Preferred Notes or the Subordinated Notes***

There is no restriction on the amount of debt that the Issuer may issue that ranks senior to the Senior Non-Preferred Notes or the Subordinated Notes or on the amount of securities that it may issue that rank *pari passu* with the Senior Non-Preferred Notes or the Subordinated Notes. The issue of any such debt or securities may reduce the amount recoverable by holders of Senior Non-Preferred Notes or Subordinated Notes in the event of the liquidation or bankruptcy of the Issuer.

***Judgments entered against Swedish entities in the courts of a state which is not subject to the Brussels Regulations or the Lugano Convention may not be recognised or enforceable in Sweden***

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). Since the EU treaties have ceased to apply to the UK, an English court judgment entered against the Issuer in relation to the Notes will not be recognised or enforceable in Sweden (absent any arrangements to that effect being put in place). Any retrial on a judgment's merits could therefore significantly delay or prevent the enforcement by Noteholders of the Issuer's obligations under the Notes.

***Modifications***

In the case of Notes other than VPS Notes, the Principal Paying Agent and the Issuer may agree, without the prior consent or sanction of any of the Noteholders or Couponholders, to:

(a) any modification (except as described in Condition 14(a)) of the Agency Agreement which, as determined by the Issuer, is not prejudicial to the interests of the Noteholders; or

(b) any modification of the Notes, the Coupons, the Deed of Covenant (as defined under "*Form of the Notes*" below) or the Agency Agreement which, as determined by the Issuer, is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law.

Any such modification will be binding on the Noteholders and the Couponholders.

In the case of VPS Notes, the VPS Trustee Agreement provides that:

(i) the VPS Trustee may in certain circumstances, without providing prior written notice to, or consultation with, the holders of the VPS Notes, make decisions binding on all holders relating to the Terms and Conditions of the relevant VPS Notes, the VPS Trustee Agreement or the relevant VPS Agency Agreement, including amendments which are not, in the VPS Trustee's opinion, materially prejudicial to the interests of the holders of the VPS Notes; and

(ii) having given holders of the VPS Notes the opportunity to protest against the proposal, the VPS Trustee may reach other decisions binding for all holders of VPS Notes.

***The value of the Notes could be adversely affected by a change in English, Swedish or Norwegian law or administrative practice***

The Terms and Conditions of the Notes are governed by English law and (i) in respect of Condition 3, Swedish law and (ii) in respect of the registration of VPS Notes in the VPS as well as the recording and transfer of ownership to, and other interests in, VPS Notes and Condition 14(b), Norwegian law, 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, Swedish or Norwegian law, regulations or the administrative practice relating thereto after the date of issue of the relevant Notes. Such changes in law may include, but are not limited to, the introduction of new statutory resolution and loss absorption tools which may affect the rights of holders of the Notes. Any such change could materially adversely impact the value of any Notes affected by it.

***Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates***

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

***Meetings of Noteholders: the Terms and Conditions of the Notes permit defined majorities to bind all Noteholders of the relevant Series***

The Terms and Conditions of the Notes and the Agency Agreement (or, in respect of VPS Notes, the VPS Trustee Agreement) contain provisions for calling meetings of Noteholders of a Series to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders of the relevant Series including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The decision of the majority may not be, or be perceived to be, in the interests of individual Noteholders who did not vote in the same way as the majority.

## Risks related to the structure of a particular issue of Notes

### *Noteholders may be subject to write-down or conversion into equity on any application of the general bail-in tool under the BRRD*

The powers and tools given to the Swedish National Debt Office under BRRD 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), 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). Such powers and tools may also be applied, for the avoidance of doubt, to any Green Bonds. See also the risk factors entitled "*The Bank Recovery and Resolution Directive*" above and "*Loss absorption at the point of non-viability of the Issuer*" below.

### *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) prior to the entry of the Issuer into resolution. As noted above in the risk factor "*The Bank Recovery and Resolution Directive*", the powers provided to resolution and competent authorities in the BRRD include write-down/conversion powers to ensure that relevant capital instruments (such as Subordinated Notes) 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 and without entering resolution. As a result, the BRRD contemplates that resolution authorities have the power to 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 capital 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 (which in turn includes, for the avoidance of doubt, any such Notes which are Green Bonds). Accordingly, in a worst case scenario, the Subordinated Notes may be written down and the value of the Subordinated Notes may be reduced to zero.

For the purposes of the application of any non-viability loss absorption measure, the point of non-viability under the BRRD is the point at which one or more of the following circumstances apply: (a) the determination has been made by the relevant authority that the conditions for resolution have been met, before any resolution action is taken; (b) the relevant authority determines that unless the write-down/conversion power is exercised in relation to the relevant capital instruments, the institution "will no longer be viable" (as described in Article 59(4) of the BRRD) and/or (c) extraordinary public financial support is required by the institution.

The application of any non-viability loss absorption measure may result in a holder 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 any affected holder of Subordinated Notes will have no further claims in respect of any amount so converted or written off. The exercise of any such power is inherently unpredictable and depends on a number of factors which are 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 Subordinated Notes.

***The Issuer's obligations under Subordinated Notes are subordinated. An investor in Subordinated Notes assumes an enhanced risk of loss in the event of the Issuer's insolvency***

As provided under Condition 3 of the Terms and Conditions of the Notes, the Issuer's obligations under Subordinated Notes are unsecured and subordinated. In the event of the voluntary or involuntary liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer and the Issuer being wound up, it will be required to pay the holders of senior debt and meet its obligations to all its other creditors (including the holders of the Senior Non-Preferred Notes and other more senior creditors but excluding any obligations in respect of subordinated debt) in full before it can make any payments on the relevant Subordinated Notes (which includes, for the avoidance of doubt, any such Subordinated Notes which are Green Bonds). If this occurs, the Issuer may not have enough assets remaining after these payments to pay amounts due under the relevant Subordinated Notes.

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

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

The Senior Non-Preferred Notes constitute direct and unsecured obligations with Senior Non-Preferred Ranking of the Issuer. As provided under Condition 3(b), the rights of the Holders of any Senior Non-Preferred Notes shall, rank (i) *pari passu* with the rights and claims of holders of all other Senior Non-Preferred Liabilities of the Issuer; (ii) senior to the rights and claims of holders of all classes of share capital (including preference shares (if any)) of the Issuer and any subordinated obligations or other securities of the Issuer (including the Subordinated Notes and any Additional Tier 1 Instruments) which by law rank, or by their terms are expressed to rank, junior to the Senior Non-Preferred Liabilities of the Issuer; and (iii) junior to present or future rights and claims of (a) depositors of the Issuer and (b) other unsubordinated creditors of the Issuer (including holders of the Senior Preferred Notes) that are not creditors in respect of Senior Non-Preferred Liabilities of the Issuer. If, in the event of a voluntary or involuntary 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 (which includes, for the avoidance of doubt, any such Notes which are Green Bonds) 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 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 risk that an investor in Senior Non-Preferred Notes will lose all or some of his investment should the Issuer become insolvent.

***Events of Default***

The only Events of Default in relation to the Notes (which includes, for the avoidance of doubt, any Notes which are Green Bonds) are those set out in Condition 9(a). If any of the events described in Condition 9(a) occurs (namely non-payment or certain events relating to the insolvency or liquidation of the Issuer), the holders of Notes shall only be entitled to institute proceedings for the Issuer to be declared bankrupt or its winding-up or liquidation and prove or claim in the bankruptcy or liquidation of the Issuer. Holders may claim

payment in respect of Notes (including Notes which are Green Bonds) only in the bankruptcy or liquidation of the Issuer.

***No right of set-off or counterclaim***

Subject to applicable law, no holder of a Note (or a Coupon relating thereto) may exercise, claim or plead any right of set-off, netting, compensation or retention in respect of any amount owed to it by the Issuer in respect of, arising under or in connection with such Note (or the Coupons relating thereto) and each holder of such Note (and the Coupons relating thereto) shall, by virtue of its holding of any such Note or Coupon, be deemed to have waived all such rights of set-off or netting.

***Redemption of Notes may be subject to the prior permission of the Relevant Regulator and the Issuer may elect not to call such Notes; holders have no right to request the redemption of Senior Non-Preferred Notes or Subordinated Notes or (unless a put option is specified as being applicable at the time of issue) Senior Preferred Notes***

In addition to the call rights described below in the risk factor "*If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return*", Notes may contain provisions allowing the Issuer to call them after a minimum period of, for example, five years. To exercise any such call option (including, for the avoidance of doubt, in relation to any Green Bonds), the Issuer may need the prior permission of the Relevant Regulator (if permission is required).

Other than in the case of redemption of Senior Preferred Notes pursuant to Condition 6(e) where Investor Put is specified as being applicable in the applicable Final Terms (or in the case of Exempt Notes, Pricing Supplement), holders of Notes have no rights to call for the redemption of Notes.

Holders of Notes should not invest in Notes in the expectation that a call option of the Issuer (if included) will be exercised by the Issuer. In order for such Notes to be redeemed, the Relevant Regulator must first agree to permit such a call, if such permission is required, taking into account the regulatory capital and/or eligible liabilities position of the Issuer at the relevant time and certain regulatory conditions (the same may be true if any Senior Preferred Notes are to be redeemed pursuant to Condition 6(e) where Investor Put is specified as being applicable in the applicable Final Terms (or in the case of Exempt Notes, Pricing Supplement)). For example, in respect of Subordinated Notes, these regulatory conditions include the requirement under CRR II that, if the Subordinated Notes are to be redeemed during the first five years after their issuance, the Issuer must demonstrate to the satisfaction of the Relevant Regulator that the event triggering such redemption was not reasonably foreseeable at the time of the issue of such Notes and, in the case of a call relating to the tax treatment of such Notes, that the adverse treatment is material and, in the case of a call relating to a Capital Event, that such change is sufficiently certain. These conditions, as well as a number of other technical rules and standards relating to regulatory capital and/or MREL requirements applicable to the Issuer, should be taken into account by the Relevant Regulator in its assessment of whether or not to permit any redemption or repurchase of Notes. It is uncertain how the Relevant Regulator will apply these criteria in practice and such rules and standards may change during the life of the Notes. It is therefore difficult to predict whether at any time, and on what terms, the Relevant Regulator will permit any early redemption or repurchase of the Notes.

Even if the Issuer is given prior permissions 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, the regulatory capital/MREL requirements of the Issuer and/or the SBAB Group, prevailing market conditions and regulatory developments. Holders of Notes should be aware that they may be required to bear the financial risks of an investment in any Notes until their maturity.

***Substitution or Variation of Notes***

Where the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) specify that Condition 6(i) applies, if at any time in the case of Senior Preferred Notes (if "MREL Disqualification Event – Senior Preferred Notes" is specified as being applicable in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement)) or Senior Non-Preferred Notes an MREL Disqualification Event or, in the case of Subordinated Notes, a Capital Event occurs or if at any time (in the case of any Notes) if Tax Event is specified as being applicable in the applicable Final Terms (or in the case of Exempt Notes, Pricing Supplement) a Tax Event occurs or the Issuer is required to pay additional amounts in accordance with Condition 6(b)(i)(A), then the Issuer may, subject to the prior permission of the Relevant Regulator (if such permission is required) and without any requirement for the consent or approval of Noteholders, substitute or vary the terms of Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes, as the case may be, so that they remain, or become, Senior Preferred Qualifying Securities, Senior Non-Preferred Qualifying Securities or Subordinated Qualifying Securities, as the case may be, as provided in Condition 6(i). Such Condition 6(i) may also be applied, for the avoidance of doubt, to any Green Bonds.

Any such substitution or variation may have adverse consequences for Noteholders, dependent on a number of factors, including the nature and terms and conditions of the relevant Senior Preferred Qualifying Securities, Senior Non-Preferred Qualifying Securities or Subordinated Qualifying Securities and the tax laws to which a particular Noteholder is subject. While the Issuer cannot make changes to the terms of any such Series of Notes that, acting reasonably, are materially less favourable to the holders of the relevant Series of Notes as a class, no assurance can be given as to whether any of these changes will negatively affect any particular holder.

***If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return***

The Issuer may issue Notes which entitle the Issuer to redeem such Notes prior to their maturity date at its option and at a price which may be less than the current market price of those Notes. An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

In the event that the Issuer would be obliged to pay additional amounts in respect of any Notes due to any deduction for or on account of withholding taxes imposed within the Kingdom of Sweden pursuant to Condition 7, the Issuer may redeem all outstanding Notes in accordance with Condition 6(b). The Issuer may also be entitled to redeem any Notes if the tax treatment for the Issuer in respect of such Notes is negatively altered after the issue date (as set forth in Condition 6(b) and subject to "Tax Event" being specified as applicable in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement)). In addition, the Issuer may be entitled to redeem Notes (in the case of Senior Preferred Notes (if "MREL Disqualification Event – Senior Preferred Notes" is specified as being applicable in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement)) and Senior Non-Preferred Notes) if an MREL Disqualification Event (as defined in Condition 6(h)) occurs or (in the case of Subordinated Notes) a Capital Event (as defined in Condition 6(g)) occurs, in each case subject to the prior permission of the Relevant Regulator if such permission is required (see "*Redemption of Notes may be subject to the prior permission of the Relevant Regulator and the Issuer may elect not to call such Notes; holders have no right to request the redemption of Senior Non-Preferred Notes or Subordinated Notes or (unless a put option is specified as being applicable at the time of issue) Senior Preferred Notes*" above).

In relation to any issue of Notes, if Issuer Call is specified as applying in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement), the Issuer shall be entitled to redeem Notes on any Optional Redemption Date(s) and at the Optional Redemption Amount specified therein, subject to the prior permission of the Relevant Regulator if such permission is required.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on such Notes. In the case of any early redemption, an investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

***Risks related to Notes which are linked to "benchmarks"***

Interest rates and indices which are deemed to be "benchmarks" are the subject of recent and ongoing national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a benchmark.

The Benchmarks Regulation was published in the Official Journal of the EU on 29 June 2016 and was applied as of 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It, among other things, (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 United Kingdom domestic law by virtue of the EUWA (the "*UK Benchmarks Regulation*") applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the UK. It, among other things, (i) requires benchmark administrators to be authorised or registered (or, if non-UK-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by UK supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-UK based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation and the UK Benchmarks Regulation could have a material impact on any Notes linked to or referencing a benchmark, in particular, if the methodology or other terms of the relevant benchmark are changed in order to comply with the requirements of the Benchmarks Regulation and/or the UK Benchmarks Regulation. 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. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a 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 a benchmark and the trading market for such Notes.

As an example of such benchmark reforms, on 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a "risk free overnight rate" which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the euro area. On 13 September 2018, the working group on Euro risk-free rates recommended the new Euro short-term rate ("€STR") as the new risk-free rate for the euro area. The €STR was published for the first time on 2 October 2019. Although the Euro Interbank Offered Rate ("EURIBOR") has subsequently been reformed in order to comply with the terms of the Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

The Copenhagen, Norwegian and Stockholm interbank offered rates are also in the process of reform to comply with the requirements of the Benchmarks Regulation, and it is uncertain how long they will continue in their current forms or whether they will be replaced with risk free rates or other alternative benchmarks.

It is not possible to predict with certainty whether, and to what extent, EURIBOR and/or other benchmark rates will continue to be supported going forwards. This may cause EURIBOR and/or other benchmark rates to perform differently than they have done in the past and may have other consequences which cannot be predicted. The elimination of EURIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the Terms and Conditions of the Notes, or result in other consequences, in respect of any Notes referencing such benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms 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.

If "Benchmark Discontinuation (General)" or "Benchmark Discontinuation (SOFR)" is specified to be applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement for a Floating Rate Note or a Reset Note, in the event that a Benchmark Event (as defined in the Terms and Conditions) occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser. The Independent Adviser shall endeavour to determine (where "Benchmark Discontinuation (General)" is specified to be applicable) a Successor Rate or Alternative Rate and, in either case, an Adjustment Spread or (where "Benchmark Discontinuation (SOFR)" is specified to be applicable) a SOFR Benchmark Replacement, in each case to be used in place of the Original Reference Rate. The use of any such Successor Rate or Alternative Rate, or a SOFR Benchmark Replacement, to determine the Rate of Interest is likely to result in Notes initially linked to or referencing the Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form.

Furthermore, if a Successor Rate or Alternative Rate, or a SOFR Benchmark Replacement, for the Original Reference Rate is determined by the Independent Adviser, the Terms and Conditions provide that the Issuer may vary the Terms and Conditions, as necessary to ensure the proper operation of such Successor Rate or Alternative Rate or SOFR Benchmark Replacement, without any requirement for consent or approval of Noteholders.

If a Successor Rate or Alternative Rate is determined by the Independent Adviser, the Terms and Conditions also provide that an Adjustment Spread may be determined by the Independent Adviser and applied to such Successor Rate or Alternative Rate. Similarly, where "Benchmark Discontinuation (SOFR)" is specified to be applicable in the applicable Final Terms, the Terms and Conditions also provide that a SOFR Benchmark Replacement Adjustment may be determined by the Independent Adviser.

The Adjustment Spread is (i) the spread, formula or methodology which is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body (which may include a relevant central bank, supervisory authority or group of central banks/supervisory authorities), (ii) if no such recommendation has been made, or in the case of an Alternative Rate, the spread, formula or methodology which the Independent Adviser determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate, or (iii) if the Independent Adviser determines that no such spread is customarily applied, the spread, formula or methodology which the Independent Adviser determines and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate, as the case may be.

Accordingly, the application of an Adjustment Spread or Benchmark Replacement Adjustment may result in the Notes performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form.

The Issuer may be unable to appoint an Independent Adviser or the Independent Adviser may not be able to determine a Successor Rate or Alternative Rate, or a SOFR Benchmark Replacement, in accordance with the terms and conditions of the Notes.

Where the Issuer is unable to appoint an Independent Adviser or the Independent Adviser fails to determine a Successor Rate or Alternative Rate or a SOFR Benchmark Replacement (as applicable) before the next Interest Determination Date or Reset Determination Date (as the case may be), the Rate of Interest for the next succeeding Interest Period or Reset Period (as the case may be) shall be determined using (where "Benchmark Discontinuation (General)" is specified to be applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the Original Reference Rate last displayed on the Relevant Screen Page or CMT Rate Screen Page (as applicable) prior to the relevant Interest Determination Date or Reset Determination Date or (where "Benchmark Discontinuation (SOFR)" is specified to be applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the SOFR Benchmark last available prior to the relevant Interest Determination Date. Applying (where "Benchmark Discontinuation (General)" is specified to be applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the Original Reference Rate last displayed on the Relevant Screen Page or CMT Rate Screen Page (as applicable) prior to the relevant Interest Determination Date or Reset Determination Date or (where "Benchmark Discontinuation (SOFR)" is specified to be applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the SOFR Benchmark last available prior to the relevant Interest Determination Date is likely to result in Notes linked to or referencing the relevant benchmark performing differently (which may include payment of a lower Rate of Interest) than they would do if the relevant benchmark were to continue to apply, or if a Successor Rate or Alternative Rate or a SOFR Benchmark Replacement could be determined.

If the Issuer is unable to appoint an Independent Adviser or the Independent Adviser fails to determine a Successor Rate or Alternative Rate or a SOFR Benchmark Replacement (as applicable) for the life of the relevant Notes, or if a Successor Rate or Alternative Rate or a SOFR Benchmark Replacement (as applicable) is not adopted because it could reasonably be expected to prejudice the qualification of the relevant Series of Subordinated Notes as Tier 2 Capital or the relevant Series of Senior Non-Preferred Notes as MREL Eligible Liabilities, (where "Benchmark Discontinuation (General)" is specified to be applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the Original Reference Rate last displayed on the Relevant Screen Page or CMT Rate Screen Page (as applicable) prior to the relevant Interest Determination Date or Reset Determination Date or (where "Benchmark Discontinuation (SOFR)" is specified

to be applicable in the applicable Final Terms or, in the case of Exempt Notes, the applicable Pricing Supplement) the SOFR Benchmark last displayed on the relevant Page prior to the relevant Interest Determination Date will continue to apply to maturity. This will result in the Floating Rate Notes or Reset Notes, in effect, becoming Fixed Rate Notes.

***In respect of any Notes issued with a specific use of proceeds, such as a "green bond", there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor***

The applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply the relevant proceeds towards projects and activities that promote sustainability and other environmental purposes. Prospective investors should have regard to the information in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Notes, together with any other investigation such investor deems necessary. In particular no assurance is given by the Issuer or the Dealers that the use of such proceeds for the stated purposes will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply. There is also no requirement for any such projects and activities that promote sustainability and other environmental purposes to have a maturity or lifespan matching the minimum duration of any related Green Bonds or any other liabilities, and any such mismatch shall not result in an obligation or incentive to redeem any Green Bonds at any time. Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or "sustainable" or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as such. The EU Commission published a draft legislative proposal for a European Green Bond Standard in July 2021 and negotiations on the Commission's proposal are currently underway. However, there is no assurance if or when such a European Green Bond Standard will be established and what provisions the European Green Bond Standard will contain.

While it is the intention of the Issuer to apply the relevant proceeds of any Green Bonds primarily in the manner described in this Offering Circular and/or the applicable Final Terms (or in the case of Exempt Notes, the applicable Pricing Supplement), there can be no assurance that the Issuer will be able to do so. Any such failure by the Issuer will not (i) constitute an Event of Default or breach of contract with respect to the relevant Green Bonds or otherwise give holders of Green Bonds any right to accelerate them; (ii) create an obligation or incentive for the Issuer to redeem the relevant Green Bonds; or (iii) create an option for the Noteholders to redeem the relevant Green Bonds.

A failure of any Green Bonds to meet investor expectations or requirements as to their "green", "sustainable", "social" or equivalent characteristics, any failure by the Issuer to allocate or reallocate an amount equal to the net proceeds of any particular issue of Green Bonds to the financing or refinancing of Eligible Green Loans of the SBAB Group at any time, the failure by the Issuer to report on any use of proceeds or any change in the performance of the Eligible Green Loans (including the loss of any "green", "sustainable", "social" or equivalent characteristics), any failure by the Issuer to comply with its general environmental or similar targets (if any), the failure to provide, or the withdrawal of, a third party opinion or certification in connection with an issue of Green Bonds or the Notes ceasing to be listed or admitted to trading on any dedicated stock exchange or securities market may have a material adverse effect on the value of Notes issued as Green Bonds and/or may have consequences for certain investors with portfolio mandates to invest in green assets (which consequences may include the need to sell the Notes as a result of the Notes not falling within the investor's investment criteria or mandate). However, none of these events specified above nor any mismatch

between the duration of the relevant Eligible Green Loans and the term of the relevant Green Bonds will give rise to any claim by a Noteholder against the Issuer or the Dealers.

In addition, any such failure will not affect the qualification of the Notes as eligible liabilities (in the case of Notes which are not Subordinated Notes) or as Tier 2 Capital or as eligible liabilities, as applicable (in the case of Subordinated Notes), in each case for the purposes of and in accordance with, the Applicable Banking Regulations or the Applicable MREL Regulations (as the case may be). Green Bonds may be either Subordinated Notes or not Subordinated Notes, as specified in the applicable Final Terms (or in the case of Exempt Notes, the applicable Pricing Supplement), with a specific use of proceeds. As such, they are issued on the terms and conditions applicable to either Subordinated Notes or not Subordinated Notes, respectively, as set out in this Offering Circular and completed by the applicable Final Terms (or in the case of Exempt Notes, the applicable Pricing Supplement).

Green Bonds are not linked to the performance of the Eligible Green Loans and do not benefit from any arrangements to enhance the performance of the Notes or any contractual rights derived solely from the intended use of proceeds of such Notes. The performance of the Green Bonds is not linked to the performance of the relevant Eligible Green Loans or the performance of the Issuer in respect of any environmental or similar targets. There will be no segregation of assets and liabilities in respect of the Green Bonds. Consequently, neither payments of principal and/or interest on the Green Bonds nor any rights of Noteholders shall depend on the performance of the relevant Eligible Green Loans or the performance of the Issuer in respect of any such environmental or similar targets. Holders of any Green Bonds shall have no preferential rights or priority against the assets of any Eligible Green Loans nor benefit from any arrangements to enhance the performance of the Notes.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer) which may or may not be made available in connection with the issue of any Notes in order to fulfil any environmental, sustainability, social and/or other criteria. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Notes. In addition, the withdrawal of any such opinion or certification or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on may have a material adverse effect on the value of such Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

***Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued***

In relation to any issue of Bearer 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 its account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of such 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 its account with the relevant clearing system at the relevant time may not receive a definitive Bearer Note in respect of such holding (should definitive Bearer

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

***The market continues to develop in relation to the use of the Sterling Over Night Index Average ("SONIA") and the Secured Overnight Financing Rate ("SOFR") as reference rates***

Where the applicable Final Terms for a Series of Floating Rate Notes identifies that the Rate of Interest for such Notes will be determined by reference to SONIA, the Rate of Interest will be determined on the basis of Compounded SONIA (as defined in the Terms and Conditions), and where the applicable Final Terms for a Series of Floating Rate Notes identifies that the Rate of Interest for such Notes will be determined by reference to SOFR, the Rate of Interest will be determined on the basis of SOFR Benchmark (as defined in the Terms and Conditions). Each of Compounded SONIA and SOFR Benchmark differs from traditional interbank offered rates in a number of material respects, including (without limitation) that each of Compounded SONIA and SOFR Benchmark is a backwards-looking, risk-free overnight rate, whereas traditional interbank offered rates are expressed on the basis of a forward-looking term and includes a risk-element based on inter-bank lending. As such, investors should be aware that traditional interbank offered rates, on the one hand, and SONIA and SOFR, on the other hand, may behave materially differently as interest reference rates for Notes issued under the Programme. The use of Compounded SONIA or SOFR Benchmark as a reference rate for Eurobonds is nascent, and is subject to change and development, both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing Compounded SONIA or SOFR Benchmark.

Accordingly, prospective investors in any Notes referencing Compounded SONIA or SOFR Benchmark should be aware that the market continues to develop in relation to each of SONIA and SOFR as a reference rate in the capital markets and their adoption as an alternative to Sterling London Interbank Offered Rate ("LIBOR") and U.S. dollar LIBOR respectively. For example, in the context of backwards-looking SONIA rates, market participants and relevant working groups are currently assessing the differences between compounded rates and weighted average rates, and such groups are also exploring forward-looking 'term' SONIA reference rates which seek to measure the market's forward expectation of an average SONIA rate over a designated term. The adoption of SONIA may also see component inputs into swap rates or other composite rates transferring from other reference rates to SONIA.

The market or a significant part thereof may adopt an application of SONIA or SOFR that differs significantly from that set out in the Terms and Conditions as applicable to Notes referencing a SONIA rate or a SOFR rate that are issued under this Offering Circular. Furthermore, the Issuer may in future issue Notes referencing SONIA or SOFR that differ materially in terms of interest determination when compared with any previous SONIA- or SOFR-referenced Notes issued by it under the Programme. The nascent development of Compounded SONIA or SOFR Benchmark as an interest reference rate for the Eurobond markets, as well as continued development of SONIA- or SOFR-based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any SONIA- or SOFR-referenced Notes issued under the Programme from time to time.

Furthermore, the Rate of Interest on Notes which reference Compounded SONIA or SOFR Benchmark is only capable of being determined at or around the end of an interest period. It may be difficult for investors in Notes which reference Compounded SONIA or SOFR Benchmark to estimate reliably the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes

without changes to their IT systems, both of which factors could adversely impact the liquidity of such Notes. Further, in contrast to traditional interbank offered rate-based Notes, if Notes referencing Compounded SONIA become due and payable as a result of an Event of Default under Condition 9(a), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the relevant Notes become due and payable.

In addition, the manner of adoption or application of SONIA or SOFR reference rates in the Eurobond markets may differ materially compared with the application and adoption of SONIA or SOFR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SONIA or SOFR reference rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing Compounded SONIA or SOFR Benchmark.

Since SONIA and SOFR are relatively new market indices, Notes linked to either SONIA or SOFR may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities referencing either SONIA or SOFR, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Notes may be lower than those of later-issued indexed debt securities as a result. Further, if SONIA or SOFR does not prove to be widely used in securities like any series of Notes that refers to SONIA or SOFR (as applicable), the trading price of such Notes referencing SONIA or SOFR may be lower than those of Notes which reference indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. There can also be no guarantee that SONIA or SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes referencing SONIA or SOFR. If the manner in which SONIA or SOFR is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes.

Investors should carefully consider these matters when making their investment decision with respect to any such Notes.

***If the Issuer has the right to convert the interest rate on any Notes from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned***

Fixed/Floating Rate Notes are Notes which bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, 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. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing market rates.

***The value of Fixed Rate Notes may be adversely affected by movements in market interest rates***

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

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

Reset Notes will initially bear interest at the Initial Rate of Interest 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 Reset Rate and the relevant First Margin or relevant Subsequent Margin (as applicable), as determined by the Calculation Agent on the relevant Reset Determination Date (each such interest rate, a *"Subsequent Reset Rate of Interest"*). The Subsequent Reset Rate of Interest for any Reset Period could be less than the Initial Rate of Interest or the Subsequent Reset Rate of Interest for prior Reset Periods and could affect the market value of an investment in the Reset Notes.

## Risks related to the market generally

***Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes***

One or more independent credit rating agencies may assign credit ratings to the Issuer or the 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 rating agency may change its rating methodology in respect of a particular class of instruments, making it more difficult to maintain a certain credit rating. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time. Any such revision, suspension or withdrawal could adversely affect the market value of the relevant Notes. For the avoidance of doubt, the Issuer does not commit to ensure that any specific rating of the Notes or the Programme will be upheld nor that any credit rating agency rating the Notes will remain the same.

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

In general, UK regulated investors are restricted under Regulation (EU) No 1060/2009 as it forms part of United Kingdom domestic law by virtue of the EUWA (the "*UK CRA Regulation*") from using credit ratings for regulatory purposes unless such ratings are issued by a credit rating agency established in the UK and registered under the UK CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-UK credit rating agencies, unless the relevant credit ratings are endorsed by a UK-registered credit rating agency or the relevant non-UK rating agency is certified in accordance with the UK 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).

If the status of the rating agency rating the Notes changes, EU and/or UK regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in EU and/or UK regulated investors selling the Notes which may impact the value of the Notes

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

Certain information with respect to the Issuer's ratings, the ratings of the Programme and the credit rating agencies which have assigned such ratings is set out on the front page of this Offering Circular. Where a Tranche of Notes is rated, such rating will be specified in the relevant Final Terms (or, in the case of Exempt Notes, Pricing Supplement) and may not necessarily be the same as the rating assigned to the Issuer or the Programme generally.

***An active secondary market in respect of Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes***

Notes may have no established trading market when issued, and one may never develop. If a market for Notes does develop, it may not be liquid or may become illiquid at a later stage. Therefore, Noteholders may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case where the Issuer is in financial distress, which may result in a sale of Notes at a substantial discount to their principal amount, or where Notes are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

***If an investor holds Notes which are not denominated in the investor's home currency, such investor will be exposed to movements in exchange rates adversely affecting the value of the holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes***

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 (i) the Investor's Currency-equivalent yield on such Notes, (ii) the Investor's Currency equivalent value of the principal payable on such Notes and (iii) the Investor's Currency equivalent market value of such Notes.

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

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published and have been filed with the Central Bank of Ireland, shall be incorporated in, and form part of, this Offering Circular:

(a) the audited consolidated and non-consolidated financial statements of the Issuer for the financial year ended 31 December 2021 (on pages 100 to 186 inclusive of SBAB's Annual Report 2021 (the *"Annual Report 2021"*)), including the audit report thereon on pages 205 to 207 available at https://www.sbab.se/download/18.1a43fdec17fb5d81a2b3c/1648115953842/SBAB_AR_2021_ENG_FINAL_20220325.pdf;

(b) the audited consolidated and non-consolidated financial statements of the Issuer for the financial year ended 31 December 2020 (on pages 108 to 188 inclusive of SBAB's Annual Report 2020 (the "*Annual Report 2020*")), including the audit report thereon on pages 205 to 207 available at https://www.sbab.se/download/18.27636f0178641ca17e13b/1616680186003/SBAB AR 2020 ENG_FINAL.pdf;

(c) the unaudited consolidated and non-consolidated Interim Report of the Issuer for the period ended 30 September 2022 (the "*2022 Third Quarter Interim Report*") available at https://www.sbab.se/download/18.6775476818414432d9014/1666800010737/SBAB%20Bank%20AB%20(publ)_Q32022_ENG.pdf; and

(d) the section "Terms and Conditions of the Notes" from the following Offering Circulars relating to the Programme available at https://www.sbab.se/1/in_english/investor_relations/investor_relations/the_sbab_groups_funding_programmes/sbab_-_unsecured_funding/emtn_programme/emtn_programme.html: (i) the Offering Circular dated 8 November 2006 (pages 37-70 inclusive); (ii) the Offering Circular dated 8 November 2007 (pages 51-85 inclusive); (iii) the Offering Circular dated 7 November 2008 (pages 51-85 inclusive); (iv) the Offering Circular dated 6 November 2009 (pages 63-108 inclusive); (v) the Offering Circular dated 4 November 2010 (pages 65-105 inclusive); (vi) the Offering Circular dated 3 November 2011 (pages 68-108 inclusive); (vii) the Offering Circular dated 6 November 2012 (pages 44-84 inclusive); (viii) the Offering Circular dated 5 November 2013 (pages 58-103 inclusive), (ix) the Offering Circular dated 5 November 2014 (pages 56-95 inclusive), (x) the Offering Circular dated 26 October 2015 (pages 59-98 inclusive), (xi) the Offering Circular dated 1 November 2016 (pages 62-102 inclusive), (xii) the Offering Circular dated 1 November 2017 (pages 65-105 inclusive), (xiii) the Offering Circular dated 16 January 2019 (pages 77-126 inclusive), (xiv) the Offering Circular dated 31 October 2019 (pages 76-125 inclusive), (xv) the Offering Circular dated 30 October 2020 (pages 79-141 inclusive), and (xvi) the Offering Circular dated 29 October 2021 (pages 83-147 inclusive).

References in the audit reports referred to above to "annual accounts" and in the financial statements referred to above to the financial statements of the "parent company" refer, in each case, to the non-consolidated financial statements of the Issuer.

The Issuer confirms that each of the documents referred to in (a) to (c) above is a direct and accurate translation from the Swedish original.

Following the publication of this Offering Circular a supplement may be prepared by the Issuer and approved by the Central Bank of Ireland in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede

statements contained in this Offering Circular or in a document which is incorporated by reference in this Offering Circular. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

The parts of the above-mentioned documents which are not incorporated by reference in this Offering Circular are either not relevant for investors or are covered elsewhere in this Offering Circular.

Copies of documents incorporated by reference in this Offering Circular can be obtained from the registered office of the Issuer and from the specified offices of the Paying Agents for the time being in London and Luxembourg and are available for viewing on the Issuer's website at *https://www.sbab.se/1/in_english/investor_relations.html*.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Offering Circular which is capable of affecting the assessment of any Notes, prepare a supplement to this Offering Circular, to be approved by the Central Bank of Ireland in accordance with Article 23 of the Prospectus Regulation, or publish a new offering circular for use in connection with any subsequent issue of Notes.

## FORM OF THE NOTES

*Any reference in this section to "applicable Final Terms" shall be deemed to include a reference to "applicable Pricing Supplement" where relevant.*

The Notes of each Series will be either (i) in bearer form, with or without interest coupons ("*Coupons*") attached, or (ii) in registered form, without Coupons attached or (iii) in the case of VPS Notes, in uncertificated and dematerialised book entry form registered in the VPS. Bearer Notes and VPS Notes will be issued outside the United States in reliance on Regulation S under the Securities Act ("*Regulation S*") and Registered Notes will be issued both outside the United States in reliance on the exemption from registration provided by Regulation S and within the United States in reliance on Rule 144A.

### Bearer Notes

Each Tranche of Bearer Notes will initially be issued in the form of either a temporary bearer global note (a "*Temporary Bearer Global Note*") or a permanent bearer global note (a "*Permanent Bearer Global Note*" and, together with a Temporary Bearer Global Note, a "*Bearer Global Note*") as indicated in the applicable Final Terms, which, in either case, will:

(i) if the Bearer Global Notes are intended to be issued in New Global Note ("*NGN*") form, as specified in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the "*Common Safekeeper*") for Euroclear Bank SA/NV ("*Euroclear*") and Clearstream Banking S.A. ("*Clearstream, Luxembourg*" and, together with Euroclear, the "*ICSDs*"); or

(ii) if the Bearer Global Notes are not intended to be issued in NGN form but are intended to be issued in Classic Global Note ("*CGN*") form, be delivered on or prior to the original issue date of the Tranche to a common depositary (the "*Common Depositary*") for, Euroclear and Clearstream, Luxembourg.

Where the Bearer Global Notes issued in respect of any Tranche are in NGN form, the ICSDs will be notified whether or not such Bearer Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Bearer Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Note if the Temporary Bearer Global Note is issued in CGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Temporary Bearer Global Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the "*Exchange Date*") which, in respect of each Tranche in respect of which a Temporary Bearer Global Note is issued, is 40 days after the Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein

either for (i) interests in a Permanent Bearer Global Note of the same Series or (ii) for definitive Bearer Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Bearer Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given, provided that purchasers in the United States and certain U.S. persons will not be able to receive definitive Bearer Notes. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Bearer Global Note if the Permanent Bearer Global Note is issued in CGN form) without any requirement for certification.

A Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, interest coupons and talons attached upon only upon the occurrence of an Exchange Event.

For these purposes, *"Exchange Event"* means that (i) an Event of Default (as defined in Condition 9(a) of the Terms and Conditions of the Notes) has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no alternative clearing system is available or (iii) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 7 of the Terms and Conditions of the Notes which would not be required were the Notes represented by the Permanent Bearer Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 13 of the Terms and Conditions of the Notes if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 60 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

The following legend will appear on all Bearer Notes which have an original maturity of more than one year and on all interest coupons and talons relating to such Notes:

"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."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes or interest coupons or talons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes, or interest coupons or talons.

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

**Registered Notes**

The Registered Notes of each Tranche offered and sold in reliance on Regulation S which will be sold to non-U.S. persons outside the United States, will initially be represented by a global note in registered form, without Coupons, (a *"Regulation S Global Note"*) which will be deposited with a common depositary or common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg and, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper. Prior to expiry of the Distribution Compliance Period (being the later of 40 days after (i) the Temporary Bearer Global Note is issued and (ii) completion of the distribution of the relevant Tranche) applicable to each Tranche of Notes, beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided in Condition 2 of the Terms and Conditions of the Notes, and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Regulation S Global Note will bear a legend regarding such restrictions on transfer.

The ICSDs will be notified whether or not such Registered Global Notes are intended to be held in a manner which would allow Eurosystem eligibility and therefore whether such Registered Global Notes are intended to be held under the New Safekeeping Structure (the *"NSS"*). Any indication that the Registered Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. Notes intended to be held under the NSS will be deposited with, and registered in the name of a nominee of, one of the ICSDs acting as Common Safekeeper. The Common Safekeeper for Notes held under the NSS will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

The Registered Notes of each Tranche may only be offered and sold in the United States or to U.S. persons in private transactions to "qualified institutional buyers" within the meaning of Rule 144A under the Securities Act (*"QIBs"*). The Registered Notes of each Tranche sold to QIBs will be represented by a global note in registered form, without Coupons, (a *"Rule 144A Global Note"* and, together with Regulation S Global Note, the *"Registered Global Notes"*) which will be deposited with a custodian for, and registered in the name of a nominee of, DTC.

Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register as the registered holder of the Registered Global Notes. None of the Issuer, any Paying Agent and the Registrar will have any responsibility or liability for an aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 5(d) of the Terms and Conditions of the Notes) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, *"Exchange Event"* means that (i) an Event of Default, as defined in

Condition 9(a) of the Terms and Conditions of the Notes has occurred and is continuing, (ii) in the case of Notes represented by a Rule 144A Global Note only, DTC has notified the Issuer that it is unwilling or unable to continue to act as depositary for the Notes and no alternative clearing system is available, (iii) in the case of Notes represented by a Rule 144A Global Note only, DTC has ceased to constitute a clearing agency registered under the Exchange Act or, in the case of Notes represented by a Regulation S Global Note only, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no alternative clearing system is available or (iv) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 13 of the Terms and Conditions of the Notes if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iv) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

*Transfer of Interests*

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable. **Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions, see *"Subscription and Sale and Transfer and Selling Restrictions"***.

**VPS Notes**

Each Tranche of VPS Notes will be issued in uncertificated and dematerialised book entry form registered in the VPS. Legal title to the VPS Notes will be evidenced by book entries in the records of the VPS. Issues of VPS Notes will be issued with the benefit of the VPS Trustee Agreement and a VPS Agency Agreement. On the issue of such VPS Notes, the Issuer will send a copy of the applicable Final Terms to the Principal Paying Agent, with a copy sent to the VPS Agent. On delivery of the applicable Final Terms by the VPS Agent to the VPS and notification to the VPS of the subscribers and their VPS account details by the relevant Dealer, the VPS Agent acting on behalf of the Issuer will credit each subscribing account holder with the VPS with a nominal amount of VPS Notes equal to the nominal amount thereof for which it has subscribed and paid.

Settlement of sale and purchase transactions in respect of VPS Notes in the VPS will take place in accordance with market practice at the time of the transaction. Transfers of interests in the relevant VPS Notes will take place in accordance with the Norwegian Securities Depository Act of 15 March 2019 no. 6 (No. *verdipapirsentralloven*) (the *"VPS Act"*) and the rules and procedures for the time being of the VPS.

Title to VPS Notes will pass by registration in the registers between the direct accountholders at the VPS in accordance with the rules and procedures of the VPS. The holder of a VPS Note will be the person evidenced as such by a book entry in the records of the VPS. The person evidenced (including any nominee) as a holder of the VPS Notes shall be treated as the holder of such VPS Notes for the purposes of payment of principal or interest on such VPS Notes. The expressions *"Noteholders"* and *"holder of Notes"* and related expressions shall, in each case, be construed accordingly.

**General**

Pursuant to the Agency Agreement (as defined under *"Terms and Conditions of the Notes"*), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN and, where applicable, a CUSIP and CINS number which are different from the common code, ISIN, CUSIP and CINS number assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which shall not be prior to the expiry of the Distribution Compliance Period applicable to the Notes of such Tranche.

For so long as any of the Notes is represented by a Bearer Global Note or a Regulation S Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and its agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Regulation S Global Note shall be treated by the Issuer and its agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions *"Noteholders"* and *"holder of Notes"* and related expressions shall be construed accordingly.

So long as DTC or its nominee is the registered owner or holder of a Rule 144A Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Rule 144A Global Note for all purposes under the Agency Agreement and such Notes except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Any reference herein to Euroclear and/or Clearstream, Luxembourg and/or DTC and/or the VPS shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

Where any Note is represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes or the Maturity Date has occurred and, in either case, payment in full of the amount due has not been made in accordance with the provisions of the Global Note then, unless within the period of seven days commencing on the relevant due date payment in full of the amount due in respect of the Global Note is received by the bearer or the registered holder, as the case may be, in accordance with the provisions of the Global Note, holders of an interest in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear, Clearstream, Luxembourg and DTC on and subject to the terms of an amended and restated deed of covenant (the *"Deed of Covenant"*) dated 31 October 2019 and executed by the Issuer. In addition, holders of interests in such Global Note credited to their accounts with DTC may require DTC to deliver definitive Notes in registered form in exchange for their interest in such Global Note in accordance with DTC's standard operating procedures.

In respect of Notes represented by a Bearer Global Note issued in NGN form and Notes represented by a Regulation S Global Note which are intended to be held under the NSS, the nominal amount of such Notes shall be the aggregate amount from time to time entered in the records of both Euroclear and Clearstream,

Luxembourg. The records of Euroclear and Clearstream, Luxembourg shall be conclusive evidence of the nominal amount of such Notes and a statement issued by Euroclear and/or Clearstream, Luxembourg shall be conclusive evidence of the records of such parties at that time.

The Issuer has entered into an agreement with the ICSDs in respect of any Notes issued in NGN form or intended to be held under the NSS that the Issuer may request be made eligible for settlement with the ICSDs (the *"Issuer-ICSDs Agreement"*). The Issuer-ICSDs Agreement sets out that the ICSDs will, in respect of any such Notes, *inter alia*, maintain records of their respective portion of the issue outstanding amount and will, upon the Issuer's request, produce a statement for the Issuer's use showing the total nominal amount of its customer holding of such Notes as of a specified date.

## FORM OF FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme which are not Exempt Notes.*

[**MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND 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. [*Consider any negative target market*]. 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.]

[**UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND 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 United Kingdom ("*UK*") 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. [*Consider any negative target market*]. 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 on markets in financial instruments (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 the Prospectus Regulation (as defined below). Consequently, no key information document required by Regulation (EU) No. 1286/2014 on key information documents for packaged retail and insurance-based investment products (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.][1]

[**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

[1] Delete legend if the Notes do not constitute "packaged" products for the purposes of the PRIIPs Regulation, in which case, insert "Not Applicable" in paragraph 9 of Part B below. Include legend if the Notes may constitute "packaged" products and the Issuer intends to prohibit the Notes being offered, sold or otherwise made available to EEA retail investors. In this case, insert "Applicable" in paragraph 9 of Part B below.

retail investor in the United Kingdom ("*UK*"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("*EUWA*"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 and any rules or regulations made under the Financial Services and Markets Act 2000 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 UK 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 UK domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK 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.][2]

[**SINGAPORE SFA PRODUCT CLASSIFICATION**: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the "*SFA*") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "*CMP Regulations 2018*"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [prescribed capital markets products] / [capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [Excluded] / [Specified] 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.][3]

[*Date*]

**SBAB BANK AB (publ)**

(*Incorporated with limited liability in the Kingdom of Sweden*)

**Legal Entity Identifier (LEI): H0YX5LBGKDVOWCXBZ594**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**
**under the €13,000,000,000**
**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 Terms and Conditions set forth in the Offering Circular dated 1 November 2022 (the *"Offering Circular"*) [as supplemented by the supplement[s] to it dated [*date*] [and [*date*]]] which [together] constitute[s] a base prospectus for the purposes of Regulation (EU) 2017/1129 (the "*Prospectus Regulation*"). 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 Offering Circular [as so supplemented] in order to obtain all the relevant information. The Offering Circular [and the supplement[s]] [has] [have] been published on the website of [the Issuer at *www.sbab.se*] [and] [the Irish Stock Exchange plc, trading as Euronext Dublin ("*Euronext Dublin*") at *https://live.euronext.com/*] and

[2] Delete legend if the Notes do not constitute "packaged" products for the purposes of the UK PRIIPs Regulation, in which case, insert "Not Applicable" in paragraph 10 of Part B below. Include legend if the Notes may constitute "packaged" products and the Issuer intends to prohibit the Notes being offered, sold or otherwise made available to UK retail investors. In this case, insert "Applicable" in paragraph 10 of Part B below.

[3] For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

copies may be obtained during normal business hours from the registered office of the Issuer at Svetsarvägen 24, P.O. Box 4209, SE-171 04 Solna, Sweden and from the specified offices of the Paying Agents for the time being in London and Luxembourg.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the *"Conditions"*) set forth in the Offering Circular dated [*original date*] which are incorporated by reference in the Offering Circular dated 1 November 2022 (the *"Offering Circular"*). This document constitutes the Final Terms of the Notes described herein for the purposes of Regulation (EU) 2017/1129 (the "Prospectus Regulation") and must be read in conjunction with the Offering Circular [as supplemented by the supplement[s] to it dated [*date*] [and [*date*]]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation in order to obtain all the relevant information. The Offering Circular [and the supplement[s]] [has] [have] been published on the website of [the Issuer at *www.sbab.se*] [and] [the Irish Stock Exchange plc, trading as Euronext Dublin ("*Euronext Dublin*") at *https://live.euronext.com/*] and copies may be obtained during normal business hours from the registered office of the Issuer at Svetsarvägen 24, P.O. Box 4209, SE-171 04 Solna, Sweden and from the specified offices of the Paying Agents for the time being in London and Luxembourg.]

| | | | |
|---|---|---|---|
| 1 | (i) | Series Number: | [ ] |
| | (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 Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph 22 below, which is expected to occur on or about [ ]]] [Not Applicable] |
| 2 | Specified Currency: | | [ ] |
| 3 | Aggregate Nominal Amount: | | |
| | Tranche: | | [ ] |
| | Series: | | [ ] |
| 4 | Issue Price: | | [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [ ]] |
| 5 | (i) | Specified Denomination(s): | [ ] [[€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].] |
| | (ii) | Calculation Amount: | [ ] |
| 6 | (i) | Issue Date: | [ ] |
| | (ii) | Interest Commencement Date: | [Issue Date]/[ ]/[Not Applicable] |
| 7 | Maturity Date: | | [[ ]/Interest Payment Date falling in or nearest to [ ]] |
| 8 | Interest Basis: | | [In respect of the period from (and including) [ ] to (but excluding) [ ]:]<br>[[ ] per cent. Fixed Rate]<br>[Reset Notes]<br>[[*Reference Rate*] +/- [ ] per cent. Floating Rate] |

| | | |
|---|---|---|
| | | [Zero Coupon]<br>(See paragraph [13]/[14]/[15]/[16] below)<br>[In respect of the period from (and including) [ ] to (but excluding) [ ]:<br>[[ ] per cent. Fixed Rate]<br>[Reset Notes]<br>[[Reference Rate] +/- [ ] per cent. Floating Rate]<br>[Zero Coupon]<br>(See paragraph [13]/[14]/[15]/[16] below)] |
| 9 | Redemption/Payment Basis: | Redemption at par |
| 10 | Change of Interest Basis: | [Specify details of any provision for change of Notes into another Interest Basis, as set out in the Terms and Conditions of the Notes]/[Not Applicable] |
| 11 | Put/Call Options: | [Investor Put]<br>[Issuer Call]<br>[Clean-up Call]<br>[(See paragraph [17]/[18]/[19])]<br>[Not Applicable] |
| 12 | Status of the Notes: | [Senior Preferred Notes/Senior Non-Preferred Notes/Subordinated Notes] |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

| | | | |
|---|---|---|---|
| 13 | Fixed Rate Note Provisions | | [Applicable [from (and including) the [Issue Date]/[ ] to (but excluding) [ ]]/Not Applicable] |
| | (i) | Rate(s) of Interest: | [ ] per cent. per annum payable in arrear on each Interest Payment Date |
| | (ii) | Interest Payment Date(s): | [ ] [and [ ]] in each year, commencing on [ ], up to and including the Maturity Date<br>[There will be a [long/short] [first/last] coupon in respect of the period from and including [ ] to but excluding [ ]] |
| | (iii) | Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form see the Conditions): | [ ] per Calculation Amount |
| | (iv) | Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see the Conditions): | [[ ] per Calculation Amount will be payable on the Interest Payment Date falling [in/on] [ ] in respect of the period from and including [ ] to but excluding [ ]]/[Not Applicable] |
| | (v) | Day Count Fraction: | [30/360] |

| | | |
|---|---|---|
| | | [Actual/Actual (ICMA)]<br>[Actual/Actual] [Actual/Actual – ISDA]<br>[Actual/365 (Fixed)]<br>[Actual/365 (Sterling)]<br>[Actual/360]<br>[360/360] [Bond Basis]<br>[30E/360] [Eurobond Basis]<br>[30E/360 (ISDA)] |
| | (vi) Determination Date(s): | [[ ] in each year] [Not Applicable] |
| 14 | Reset Note Provisions | [Applicable [from (and including) the [Issue Date]/[ ] to (but excluding) [ ]]/Not Applicable] |
| | (i) Initial Rate of Interest: | [ ] per cent. per annum payable in arrear on each Interest Payment Date |
| | (ii) First Margin: | [+/-] [ ] per cent. per annum |
| | (iii) Subsequent Margin: | [[+/-] [ ] per cent. per annum] [Not Applicable] |
| | (iv) Interest Payment Date(s): | [ ] [and [ ]] in each year, commencing on [ ], up to and including the Maturity Date<br>[There will be a [long/short] [first/last] coupon in respect of the period from and including [ ] to but excluding [ ]] |
| | (v) First Reset Date: | [ ] |
| | (vi) Second Reset Date: | [ ]/[Not Applicable] |
| | (vii) Subsequent Reset Date(s): | [ ] [and [ ]]/[Not Applicable] |
| | (viii) Reset Rate: | [Benchmark Gilt Rate]<br>[CMT Rate]<br>[Mid-Swap Rate] |
| | (ix) First Reset Period Fallback: | [ ] [Not Applicable] |
| | (x) CMT Designated Maturity: | [ ] [Not Applicable] |
| | (xi) CMT Rate Screen Page: | [ ] [Not Applicable] |
| | (xii) Relevant Screen Page: | [ ] [Not Applicable] |
| | (xiii) Mid-Swap Rate: | [Single Mid-Swap Rate/Mean Mid-Swap Rate] [Not Applicable] |
| | (xiv) Mid-Swap Floating Leg Maturity: | [ ] [Not Applicable] |
| | (xv) Initial Mid-Swap Rate Final Fallback: | [Applicable/Not Applicable] |
| | • Initial Mid-Swap Rate: | [ ] per cent. |

| | | |
|---|---|---|
| | (xvi) Reset Maturity Initial Mid-Swap Rate Final Fallback: | [Applicable/Not Applicable] |
| | • Reset Period Maturity Initial Mid-Swap Rate: | [ ] per cent. |
| | (xvii) Last Observable Mid-Swap Rate Final Fallback: | [Applicable/Not Applicable] |
| | (xviii) Mid-Swap Floating Leg Benchmark Rate: | [EURIBOR]<br>[STIBOR]<br>[Not Applicable] |
| | (xix) Mid-Swap Rate Conversion: | [Applicable/Not Applicable] |
| | (xx) Original Mid-Swap Rate Basis: | [Annual/Semi-annual/Quarterly/monthly] [Not Applicable] |
| | (xxi) Subsequent Reset Rate Mid-Swap Rate Final Fallback: | [Applicable/Not Applicable] |
| | (xxii) Subsequent Reset Rate Last Observable Mid-Swap Rate Final Fallback: | [Applicable/Not Applicable] |
| | (xxiii) Day Count Fraction: | [30/360]<br>[Actual/Actual (ICMA)]<br>[Actual/Actual] [Actual/Actual – ISDA]<br>[Actual/365 (Fixed)]<br>[Actual/365 (Sterling)]<br>[Actual/360]<br>[360/360] [Bond Basis]<br>[30E/360] [Eurobond Basis]<br>[30E/360 (ISDA)] |
| | (xxiv) Determination Dates: | [[ ]in each year]/[Not Applicable] |
| | (xxv) Additional Business Centre(s): | [ ]/[Not Applicable] |
| | (xxvi) Calculation Agent: | [ ] |
| | (xxvii) Benchmark Discontinuation: | [Applicable/Not Applicable] |
| 15 | Floating Rate Note Provisions | [Applicable [from (and including) the [Issue Date]/[ ] to (but excluding) [ ]]/Not Applicable] |

| | | |
|---|---|---|
| (i) | Specified Period(s)/Interest Payment Dates: | [ ] / [[ ] [and [ ]] in each year, commencing on [ ], up to and including [ ], subject [in each case] to adjustment in accordance with the Business Day Convention specified in paragraph 15(ii) below] |
| (ii) | Business Day Convention: | [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention] |
| (iii) | Additional Business Centre(s): | [ ]/[Not Applicable] |
| (iv) | Manner in which the Rate of Interest and Interest Amount is to be determined: | [Screen Rate Determination/ISDA Determination] |
| (v) | Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent): | [ ]/[Not Applicable] |
| (vi) | Screen Rate Determination: | [Applicable/Not Applicable] |
| • | Reference Rate, Relevant Time and Relevant Financial Centre: | Reference Rate: [Compounded SONIA]/[SOFR Benchmark]/[ ] month [EURIBOR/ STIBOR/NIBOR/CIBOR/TIBOR/TRYIBOR/ JIBAR/CAD-BA-CDOR/BBSW]<br>Relevant Time: [ ]<br>Relevant Financial Centre: [London/Brussels/ Stockholm/Oslo/Copenhagen/Tokyo/Istanbul/ Johannesburg/Toronto/Sydney] |
| • | Interest Determination Date(s): | [*If SONIA insert:* The [●] London Banking Day (as defined in the Conditions) falling after the last day of the relevant Observation Period]<br>[*If SOFR insert*: The [●] U.S. Government Securities Business Day prior to each Interest Payment Date]<br>[*If EURIBOR insert:* The second day on which the TARGET2 System is open prior to the start of each Interest Period]<br>[*If STIBOR insert:* The second Stockholm business day prior to the start of each Interest Period]<br>[*If NIBOR insert:* The second Oslo business day prior to the start of each Interest Period]<br>[*If CIBOR insert:* The second Copenhagen business day prior to the start of each Interest Period] |

[*If TIBOR insert:* The second Tokyo business day prior to the start of each Interest Period]

[*If TRYIBOR insert:* The second Istanbul business day prior to the start of each Interest Period]

[*If JIBAR insert:* The first day of each Interest Period]

[*If CAD-BA-CDOR insert:* The first day of each Interest Period]

[*If BBSW:* The first day of each Interest Period]

- Relevant Screen Page: [ ]
- Compounded SONIA: [Not Applicable/Compounded Daily SONIA/SONIA Compounded Index] *(Only applicable in the case of SONIA)*
- Observation Method: [SONIA Lag/SONIA Observation Shift/Not Applicable] *(Only applicable in the case of Compounded Daily SONIA)*
- SONIA Lag Period (p): [5/ [ ] London Banking Days / Not Applicable] *(Only applicable in the case of Compounded Daily SONIA)*
- SONIA Observation Shift Period (p): [5/ [ ] London Banking Days / Not Applicable] *(Only applicable in the case of Compounded Daily SONIA)*
- SONIA Compounded Index Observation Shift Period (p): [5/ [ ] London Banking Days / Not Applicable] *(Only applicable in the case of SONIA Compounded Index)*
- Relevant Fallback Screen Page: [ ]
  *(Only applicable in the case of SONIA Compounded Index)*
- SOFR Benchmark: [Not Applicable/SOFR Arithmetic Mean/SOFR Compound/SOFR Index Average] *(Only applicable in the case of SOFR)*
- SOFR Compound: [Not Applicable/SOFR Compound with Lookback/SOFR Compound with Payment Delay/SOFR Compound with SOFR Observation Shift]
- SOFR Observation Shift Days: [Not Applicable/[●] U.S. Government Securities Business Day(s)] *(Only applicable in the case of SOFR Compound with SOFR Observation Shift)*
- Interest Payment Delay: [Not Applicable/[●] U.S. Government Securities Business Day(s)] *(Only applicable in the case of SOFR Compound with Payment Delay)*
- SOFR Rate Cut-Off Date: [Not Applicable/The day that is the [second/[•]] U.S. Government Securities Business Day prior to the Interest Payment Date in relation to the relevant Interest Accrual Period] *(Only applicable in the case of SOFR Arithmetic Mean or SOFR Compound with Payment Delay)*
- Lookback Days: [Not Applicable/[●] U.S. Government Securities Business Day(s)] *(Only applicable in the case of SOFR Compound with Lookback)*

| | | |
|---|---|---|
| | • SOFR Index Start: | [Not Applicable/[●] U.S. Government Securities Business Day(s)] *(Only applicable in the case of SOFR Index Average)* |
| | • SOFR Index End: | [Not Applicable/[●] U.S. Government Securities Business Day(s)] *(Only applicable in the case of SOFR Index Average)* |
| | (vii) ISDA Determination: | [Applicable/Not Applicable] |
| | • Floating Rate Option: | [ ] |
| | • Designated Maturity: | [ ] |
| | • Reset Date: | [ ] |
| | (viii) Linear Interpolation: | [Not Applicable]/[Applicable – the Rate of Interest for the [long]/[short] [first/last] Interest Period shall be calculated using Linear Interpolation] |
| | (ix) Margin(s): | [+/-] [ ] per cent. per annum |
| | (x) Minimum Rate of Interest: | [[ ] per cent. per annum]/[Not Applicable] |
| | (xi) Maximum Rate of Interest: | [[ ] per cent. per annum]/[Not Applicable] |
| | (xii) Day Count Fraction: | [Actual/Actual] [Actual/Actual - ISDA]<br>[Actual/365 (Fixed)]<br>[Actual/365 (Sterling)]<br>[Actual/360]<br>[30/360] [360/360] [Bond Basis]<br>[30E/360] [Eurobond Basis]<br>[30E/360 (ISDA)] |
| | (xiii) Benchmark Discontinuation: | [Not Applicable/Benchmark Discontinuation (General)/Benchmark Discontinuation (SOFR)] |
| | (xiv) Calculation Agent: | [ ] |
| 16 | Zero Coupon Note Provisions | [Applicable [from (and including) the [Issue Date]/[ ] to (but excluding) [ ]]/Not Applicable] |
| | (i) Accrual Yield: | [ ] per cent. per annum |
| | (ii) Reference Price: | [ ] |
| | (iii) Day Count Fraction in relation to Early Redemption Amounts: | [30/360]<br>[Actual/360]<br>[Actual/365] |

**PROVISIONS RELATING TO REDEMPTION**

| | | |
|---|---|---|
| 17 | Issuer Call | [Applicable/Not Applicable] |
| | (i) Optional Redemption Date(s): | [ ]/[Any date from and including [ ] to but excluding [ ]] |
| | (ii) Optional Redemption Amount: | [ ] per Calculation Amount |

| | | |
|---|---|---|
| | (iii) If redeemable in part: | |
| | (a) Minimum Redemption Amount: | [ ]/[Not Applicable] |
| | (b) Maximum Redemption Amount: | [ ]/[Not Applicable] |
| 18 | Clean-up Call | [Applicable/Not Applicable] |
| | (i) Optional Redemption Amount (Clean-up Call): | [ ] per Calculation Amount |
| | (ii) Clean-up Call Threshold: | [ ]/As per Conditions |
| 19 | Investor Put | [Applicable/Not Applicable] |
| | (i) Optional Redemption Date(s): | [ ] |
| | (ii) Optional Redemption Amount: | [ ] per Calculation Amount |
| 20 | Optional Redemption for Subordinated Notes/Senior Non-Preferred Notes/Senior Preferred Notes | [Applicable/Not Applicable] |
| | (i) Special Event Redemption: | |
| | • Tax Event: | [Applicable - Early Redemption Amount (Tax Event): [ ] per Calculation Amount]/[Not Applicable] |
| | • Capital Event: | [Applicable - Early Redemption Amount (Capital Event): [ ] per Calculation Amount]/[Not Applicable] *(Only applicable in the case of Subordinated Notes)* |
| | • MREL Disqualification Event: | [Applicable - Early Redemption Amount (MREL Disqualification Event): [ ] per Calculation Amount]/[Not Applicable] *(Only applicable in the case of Senior Non-Preferred Notes)* |
| | • MREL Disqualification Event – Senior Preferred Notes | [Applicable – Early Redemption Amount (MREL Disqualification Event): [ ] per Calculation Amount]/[Not Applicable] *(Only applicable in the case of Senior Preferred Notes)* |
| | (ii) Variation or Substitution: | [Applicable – Condition 6(i) applies/Not Applicable] |
| 21 | Final Redemption Amount | [ ] per Calculation Amount |
| 22 | Early Redemption Amount payable on redemption for taxation reasons [(other than due to the occurrence of a Tax | [ ] per Calculation Amount/As per Condition 6(j) |

Event)] [, redemption for an Investor Put] or on event of default:

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

| | | |
|---|---|---|
| 23 | Form of Notes: | |
| | (i) Form: | [Bearer Notes:<br><br>[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for definitive Bearer Notes only upon an Exchange Event.]<br><br>[Permanent Bearer Global Note which is exchangeable for definitive Bearer Notes only upon an Exchange Event.]<br><br>[Registered Notes:<br><br>[Regulation S Global Note (U.S.$ [ ] nominal amount) registered in the name of a nominee of a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]<br><br>[Rule 144A Global Note (U.S.$ [ ] nominal amount)]]<br><br>[VPS Notes:<br><br>VPS Notes issued in uncertificated and dematerialised book entry form. See further item [7] of Part B below] |
| | (ii) New Global Note: | [Yes]/[No] |
| | (iii) New Safekeeping Structure: | [Yes]/[No]<br>[(For VPS Notes, insert "No")] |
| 24 | Additional Financial Centre(s): | [ ]/[Not Applicable] |
| 25 | Talons for future Coupons to be attached to Definitive Bearer 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] |

Signed on behalf of the Issuer:

By: ..... By: .....

Duly authorised signatory Duly authorised signatory

## PART B – OTHER INFORMATION

### 1 LISTING AND ADMISSION TO TRADING

| | | |
|---|---|---|
| (i) | Listing and admission to trading: | [Application [will be]/[has been] made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of Euronext Dublin and to trading on the regulated market of Euronext Dublin with effect from [on or about the Issue Date]]. |
| (ii) | Estimate of total expenses related to admission to trading: | [ ] |

### 2 RATINGS

[[The Notes [have been]/[are expected to be] assigned the following ratings] [The following ratings reflect the ratings assigned to Notes of this type issued under the Programme generally]:

[ ] by [Moody's Investors Service (Nordics) AB]

[ ] by [S&P Global Ratings Europe Limited]

[*To include a brief explanation of the meaning of the ratings if this has previously been published by a ratings provider*]

[Not Applicable]

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

[Save for any fees 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.]

### 4 REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

| | |
|---|---|
| Reasons for the offer: | [ ] [General financing] [Green Bond] |
| Estimated net proceeds: | [ ] |

### 5 YIELD

| | |
|---|---|
| Indication of yield: | [ ] |

### 6 TEFRA RULES

| | |
|---|---|
| Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: | [TEFRA D/TEFRA C/TEFRA not applicable] |

### 7 OPERATIONAL INFORMATION

| | | |
|---|---|---|
| (i) | ISIN: | [ ] |
| (ii) | Common Code: | [ ] |
| (iii) | Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking S.A. or Verdipapirsentralen ASA (together with the address of each such clearing system) and the relevant identification number(s): | [ ]/[Not Applicable] |
| (iv) | Names and addresses of additional Paying Agent(s) (if any) or, in the case of VPS Notes, the VPS Agent and the VPS Trustee: | [ ]/[Not Applicable] |
| (v) | [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] 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 European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]/<br><br>[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 European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]] |
| (vi) | Relevant Benchmark[s]: | [SONIA / SOFR / EURIBOR / STIBOR / NIBOR / CIBOR / TIBOR / TRYIBOR / JIBAR / CAD-BA-CDOR / BBSW] is provided by [administrator legal name]][repeat as necessary]. [As at the date hereof, [[administrator legal name][appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by the European Securities and Markets |

Authority pursuant to Article 36 (Register of administrators and benchmarks) of Regulation (EU) 2016/1011, as amended]/[As far as the Issuer is aware, as at the date hereof, [SONIA / SOFR / EURIBOR / STIBOR / NIBOR / CIBOR / TIBOR / TRYIBOR / JIBAR / CAD-BA-CDOR / BBSW] does not fall within the scope of Regulation (EU) 2016/1011, as amended] / [Not Applicable]

## 8 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 information inaccurate or misleading.]/[Not Applicable]

## 9 PROHIBITION OF SALES TO EEA RETAIL INVESTORS

[Not Applicable] (*If the Notes being offered do not constitute "packaged" products, "Not Applicable" should be specified*)

[Applicable] (*If the Notes may constitute "packaged" products, "Applicable" should be specified unless the Issuer has drawn up a key information document in accordance with the PRIIPs Regulation*)

## 10 PROHIBITION OF SALES TO UK RETAIL INVESTORS

[Not Applicable] (*If the Notes being offered do not constitute "packaged" products, "Not Applicable" should be specified*)

[Applicable] (*If the Notes may constitute "packaged" products, "Applicable" should be specified unless the Issuer has drawn up a key information document in accordance with the UK PRIIPs Regulation*)

## FORM OF PRICING SUPPLEMENT

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

NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH REGULATION (EU) 2017/1129 FOR THE ISSUE OF NOTES DESCRIBED BELOW. THE CENTRAL BANK OF IRELAND HAS NEITHER APPROVED NOR REVIEWED THIS PRICING SUPPLEMENT.

[**MiFID II PRODUCT GOVERNANCE / TARGET MARKET** – [*appropriate target market legend to be included*]]

[**UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET** – [*appropriate target market legend to be included*]]

[**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 on markets in financial instruments (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 on key information documents for packaged retail and insurance-based investment products (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.][4]

[**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 ("*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 UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("*EUWA*"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 and any rules or regulations made under the Financial Services and Markets Act 2000 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 UK 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 UK domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK 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

[4] Delete legend if the Notes do not constitute "packaged" products for the purposes of the PRIIPs Regulation, in which case, insert "Not Applicable" in paragraph 7 of Part B below. Include legend if the Notes may constitute "packaged" products and the Issuer intends to prohibit the Notes being offered, sold or otherwise made available to EEA retail investors. In this case, insert "Applicable" in paragraph 7 of Part B below.

selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.][5]

[**SINGAPORE SFA PRODUCT CLASSIFICATION**: In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the "SFA") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [prescribed capital markets products] / [capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [Excluded] / [Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products.][6]

[Date]

**SBAB BANK AB (publ)**
(*Incorporated with limited liability in the Kingdom of Sweden*)

**Legal Entity Identifier (LEI): H0YX5LBGKDVOWCXBZ594**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**
**under the €13,000,000,000**
**Euro Medium Term Note Programme**

**PART A – CONTRACTUAL TERMS**

This document constitutes the Pricing Supplement for the Notes described herein. This document must be read in conjunction with the Offering Circular dated 1 November 2022 (the *"Offering Circular"*) [as supplemented by the supplement[s] to it dated [*date*] [and [*date*]]]. Full information on SBAB Bank AB (publ) (the *"Issuer"*) and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular [as so supplemented]. The Offering Circular [and the supplement[s]] [has] [have] been published on the website of [the Issuer at *www.sbab.se*] [and] [the Irish Stock Exchange plc, trading as Euronext Dublin ("*Euronext Dublin*") at *https://live.euronext.com/*] and copies may be obtained during normal business hours from the registered office of the Issuer at Svetsarvägen 24, P.O. Box 4209, SE-171 04 Solna, Sweden and from the specified offices of the Paying Agents for the time being in London and Luxembourg.]

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the *"Conditions"*) set forth in the Offering Circular [dated [*original date*] which are incorporated by reference in the Offering Circular][7].

[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.]

1 (i) Series Number: [ ]

[5] Delete legend if the Notes do not constitute "packaged" products for the purposes of the UK PRIIPs Regulation, in which case, insert "Not Applicable" in paragraph 8 of Part B below. Include legend if the Notes may constitute "packaged" products and the Issuer intends to prohibit the Notes being offered, sold or otherwise made available to UK retail investors. In this case, insert "Applicable" in paragraph 8 of Part B below.

[6] For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

[7] Only include this language where it is a fungible issue and the original Tranche was issued under an Offering Circular with a different date.

| | | |
|---|---|---|
| | (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 [*identify earlier Tranches*] on [the Issue Date/exchange of the Temporary Bearer Global Note for interests in the Permanent Bearer Global Note, as referred to in paragraph 22 below, which is expected to occur on or about [date]]] [Not Applicable] |
| 2 | Specified Currency: | [ ] |
| 3 | Aggregate Nominal Amount: | |
| | • Tranche: | [ ] |
| | • Series: | [ ] |
| 4 | Issue Price: | [ ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (if applicable)] |
| 5 | (i) Specified Denomination(s): | [ ]<br>*(N.B. In the case of Registered Notes, this means the minimum integral amount in which transfers can be made.)*<br>*(N.B. Where Bearer Notes with 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.")* |
| | (ii) Calculation Amount: | [ ]<br>*(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. N.B. 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]/[specify]/[Not Applicable]<br>(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 [specify month and year]] |
| 8 | Interest Basis: | [In respect of the period from (and including) [ ] to (but excluding) [ ]:]<br>[[ ] per cent. Fixed Rate]<br>[Reset Notes]<br>[[*Reference Rate*] +/- [ ] per cent. Floating Rate]<br>[Zero Coupon] |

| | | |
|---|---|---|
| | | [*specify other*]<br>[(further particulars specified below)]<br>[In respect of the period from (and including) [ ] to (but excluding) [ ]:<br>[[ ] per cent. Fixed Rate]<br>[Reset Notes]<br>[[*Reference Rate*] +/- [ ] per cent. Floating Rate]<br>[Zero Coupon]<br>[*specify other*]<br>(further particulars specified below)] |
| 9 | Redemption/Payment Basis: | [Redemption at par]/[specify other] |
| 10 | Change of Interest Basis or Redemption/Payment Basis: | [Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis, as set out in the Terms and Conditions of the Notes] [Not Applicable] |
| 11 | Put/Call Options: | [Investor Put]<br>[Issuer Call]<br>[Clean-up Call]<br>[(further particulars specified below)]<br>[Not Applicable] |
| 12 | Status of the Notes: | [Senior Preferred Notes/Senior Non-Preferred Notes/Subordinated Notes] |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

| | | |
|---|---|---|
| 13 | Fixed Rate Note Provisions | [Applicable [from (and including) the [Issue Date]/[ ] to (but excluding) [ ]]/Not Applicable]<br>(*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 Payment Date(s): | [ ] [and [ ]] in each year, commencing on [ ], up to and including the Maturity Date<br>(*Amend appropriately in the case of irregular coupons*) |
| | (iii) Fixed Coupon Amount(s) for Notes in definitive form (and in relation to Notes in global form see the Conditions): | [[ ] per Calculation Amount/Not Applicable] |

| | | |
|---|---|---|
| | (iv) Broken Amount(s) for Notes in definitive form (and in relation to Notes in global form see the Conditions): | [[ ] per Calculation Amount will be payable on the Interest Payment Date falling [in/on] [ ] in respect of the period from and including [ ] to but excluding [ ]]/[Not Applicable] |
| | (v) Day Count Fraction: | [30/360]<br>[Actual/Actual (ICMA)]<br>[Actual/Actual] [Actual/Actual – ISDA]<br>[Actual/365 (Fixed)]<br>[Actual/365 (Sterling)]<br>[Actual/360]<br>[360/360] [Bond Basis]<br>[30E/360] [Eurobond Basis]<br>[30E/360 (ISDA)]<br>[*specify other*] |
| | (vi) Determination Date(s): | [[ ] in each year] [Not Applicable]<br>(*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: | [None/give details] |
| 14 | Reset Note Provisions | [Applicable [from (and including) the [Issue Date]/[ ] to (but excluding) [ ]]/Not Applicable]<br>(*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) Initial Rate of Interest: | [ ] per cent. per annum payable in arrear on each Interest Payment Date |
| | (ii) First Margin: | [+/-] [ ] per cent. per annum |
| | (iii) Subsequent Margin: | [[+/-] [ ] per cent. per annum] [Not Applicable] |
| | (iv) Interest Payment Date(s): | [ ] [and [ ]] in each year, commencing on [ ], up to and including the Maturity Date<br>(Amend appropriately in the case of irregular coupons) |
| | (v) First Reset Date: | [ ] |
| | (vi) Second Reset Date: | [ ]/[Not Applicable] |

| | |
|---|---|
| (vii) Subsequent Reset Date(s): | [ ] [and [ ]]/[Not Applicable] |
| (viii) Reset Rate: | [Benchmark Gilt Rate]<br>[CMT Rate]<br>[Mid-Swap Rate] |
| (ix) First Reset Period Fallback: | [ ] [Not Applicable] |
| (x) CMT Designated Maturity: | [ ] [Not Applicable] |
| (xi) CMT Rate Screen Page: | [ ] [Not Applicable] |
| (xii) Relevant Screen Page: | [ ] [Not Applicable] |
| (xiii) Mid-Swap Rate: | [Single Mid-Swap Rate/Mean Mid-Swap Rate] [Not Applicable] |
| (xiv) Mid-Swap Floating Leg Maturity: | [ ] [Not Applicable] |
| (xv) Initial Mid-Swap Rate Final Fallback: | [Applicable/Not Applicable] |
| • Initial Mid-Swap Rate: | [ ] per cent. |
| (xvi) Reset Maturity Initial Mid-Swap Rate Final Fallback: | [Applicable/Not Applicable] |
| • Reset Period Maturity Initial Mid-Swap Rate: | [ ] per cent. |
| (xvii) Last Observable Mid-Swap Rate Final Fallback: | [Applicable/Not Applicable] |
| (xviii) Mid-Swap Floating Leg Benchmark Rate: | [EURIBOR]<br>[STIBOR]<br>[*specify other*]<br>[Not Applicable] |
| (xix) Mid-Swap Rate Conversion: | [Applicable/Not Applicable] |
| (xx) Original Mid-Swap Rate Basis: | [Annual/Semi-annual/Quarterly/monthly] [Not Applicable] |
| (xxi) Subsequent Reset Rate Mid-Swap Rate Final Fallback: | [Applicable/Not Applicable] |

| | | |
|---|---|---|
| | (xxii) Subsequent Reset Rate Last Observable Mid-Swap Rate Final Fallback: | [Applicable/Not Applicable] |
| | (xxiii) Day Count Fraction: | [30/360]<br>[Actual/Actual (ICMA)]<br>[Actual/Actual] [Actual/Actual – ISDA]<br>[Actual/365 (Fixed)]<br>[Actual/365 (Sterling)]<br>[Actual/360]<br>[360/360] [Bond Basis]<br>[30E/360] [Eurobond Basis]<br>[30E/360 (ISDA)]<br>[*specify other*] |
| | (xxiv) Determination Dates: | [[ ]in each year]/[Not Applicable] |
| | (xxv) Additional Business Centre(s): | [ ]/[Not Applicable] |
| | (xxvi) Calculation Agent: | [ ] |
| | (xxvii) Benchmark Discontinuation: | [Applicable/Not Applicable] |
| | (xxviii) Other terms relating to the method of calculating interest for Reset Notes: | [None/give details] |
| 15 | Floating Rate Note Provisions | [Applicable [from (and including) the [Issue Date]/[ ] to (but excluding) [ ]]/Not Applicable]<br>(If not applicable, delete the remaining sub-paragraphs of this paragraph) |
| | (i) Specified Period(s)/Interest Payment Dates: | [ ] / [[ ] [and [ ]] in each year, commencing on [ ], up to and including [ ], subject [in each case] to adjustment in accordance with the Business Day Convention specified in paragraph 15(ii) below] |
| | (ii) Business Day Convention: | [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/ Preceding Business Day Convention/specify other] |
| | (iii) Additional Business Centre(s): | [ ] |

| | | |
|---|---|---|
| (iv) | Manner in which the Rate of Interest and Interest Amount is to be determined: | [Screen Rate Determination/ISDA Determination/specify other] |
| (v) | Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent): | [ ] |
| (vi) | Screen Rate Determination: | [Applicable/Not Applicable] |
| • | Reference Rate, Relevant Time and Relevant Financial Centre: | Reference Rate: [Compounded SONIA]/[SOFR Benchmark]/[ ] month [EURIBOR/ STIBOR/NIBOR/CIBOR/TIBOR/TRYIBOR/ JIBAR/CAD-BA-CDOR/BBSW/specify other Reference Rate]<br><br>Relevant Time: [ ]<br><br>Relevant Financial Centre: [London/Brussels/ Stockholm/Oslo/Copenhagen/Tokyo/Istanbul/ Johannesburg/Toronto/Sydney/specify other Relevant Financial Centre] |
| • | Interest Determination Date(s): | [If SONIA insert: The [●] London Banking Day (as defined in the Conditions) falling after the last day of the relevant Observation Period]<br><br>[If SOFR insert: The [●] U.S. Government Securities Business Day prior to each Interest Payment Date]<br><br>[If EURIBOR insert: The second day on which the TARGET2 System is open prior to the start of each Interest Period]<br><br>[If STIBOR insert: The second Stockholm business day prior to the start of each Interest Period]<br><br>[If NIBOR insert: The second Oslo business day prior to the start of each Interest Period]<br><br>[If CIBOR insert: The second Copenhagen business day prior to the start of each Interest Period]<br><br>[If TIBOR insert: The second Tokyo business day prior to the start of each Interest Period]<br><br>[If TRYIBOR insert: The second Istanbul business day prior to the start of each Interest Period]<br><br>[If JIBAR insert: The first day of each Interest Period]<br><br>[If CAD-BA-CDOR insert: The first day of each Interest Period]<br><br>[If BBSW: The first day of each Interest Period] |

[ ]

- 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*)

- Compounded SONIA: [Not Applicable/Compounded Daily SONIA/SONIA Compounded Index] *(Only applicable in the case of SONIA)*

- Observation Method: [SONIA Lag/SONIA Observation Shift/Not Applicable] *(Only applicable in the case of Compounded Daily SONIA)*

- SONIA Lag Period (p): [5/ [ ] London Banking Days/ Not Applicable] *(Only applicable in the case of Compounded Daily SONIA)*

- SONIA Observation Shift Period (p): [5/ [ ] London Banking Days / Not Applicable] *(Only applicable in the case of Compounded Daily SONIA)*

- SONIA Compounded Index Observation Shift Period (p): [5/ [ ] London Banking Days / Not Applicable] *(Only applicable in the case of SONIA Compounded Index)*

- Relevant Fallback Screen Page: [ ]

  *(Only applicable in the case of SONIA Compounded Index)*

- SOFR Benchmark: [Not Applicable/SOFR Arithmetic Mean/SOFR Compound/SOFR Index Average] *(Only applicable in the case of SOFR)*

- SOFR Compound: [Not Applicable/SOFR Compound with Lookback/SOFR Compound with Payment Delay/SOFR Compound with SOFR Observation Shift]

- SOFR Observation Shift Days: [Not Applicable/[●] U.S. Government Securities Business Day(s)] *(Only applicable in the case of SOFR Compound with SOFR Observation Shift)*

- Interest Payment Delay: [Not Applicable/[●] U.S. Government Securities Business Day(s)] *(Only applicable in the case of SOFR Compound with Payment Delay)*

- SOFR Rate Cut-Off Date: [Not Applicable/The day that is the [second/[•]] U.S. Government Securities Business Day prior to the Interest Payment Date in relation to the relevant Interest Accrual Period] *(Only applicable in the case of SOFR Arithmetic Mean or SOFR Compound with Payment Delay)*

- Lookback Days: [Not Applicable/[●] U.S. Government Securities Business Day(s)] *(Only applicable in the case of SOFR Compound with Lookback)*

- SOFR Index Start: [Not Applicable/[●] U.S. Government Securities Business Day(s)] *(Only applicable in the case of SOFR Index Average)*

| | |
|---|---|
| • SOFR Index End: | [Not Applicable/[●] U.S. Government Securities Business Day(s)] *(Only applicable in the case of SOFR Index Average)* |
| (vii) ISDA Determination: | [Applicable/Not Applicable] |
| • Floating Rate Option: | [ ] |
| • Designated Maturity: | [ ] |
| • Reset Date: | [ ]<br>(*In the case of a EURIBOR based option, the first day of the Interest Period*) |
| (viii) 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*)] |
| (ix) Margin(s): | [+/-] [ ] per cent. per annum |
| (x) Minimum Rate of Interest: | [ ] per cent. per annum |
| (xi) Maximum Rate of Interest: | [ ] per cent. per annum |
| (xii) Day Count Fraction: | [Actual/Actual] [Actual/Actual - ISDA]<br>[Actual/365 (Fixed)]<br>[Actual/365 (Sterling)]<br>[Actual/360]<br>[30/360] [360/360] [Bond Basis]<br>[30E/360] [Eurobond Basis]<br>[30E/360 (ISDA)]<br>[*specify other*] |
| (xiii) Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: | [None/*give details*] |
| (xiv) Benchmark Discontinuation: | [Not Applicable/Benchmark Discontinuation (General)/Benchmark Discontinuation (SOFR)] |

| | | |
|---|---|---|
| | (xv) Calculation Agent: | [ ] |
| 16 | Zero Coupon Note Provisions | [Applicable [from (and including) the [Issue Date]/[ ] to (but excluding) [ ]]/Not Applicable]<br><br>(*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) Accrual Yield: | [ ] per cent. per annum |
| | (ii) Reference Price: | [ ] |
| | (iii) Day Count Fraction in relation to Early Redemption Amounts: | [30/360]<br><br>[Actual/360]<br><br>[Actual/365]<br><br>[specify other] |
| | (iv) Any other formula/basis of determining amount payable for Zero Coupon Notes: | [None/*give details*] |

**PROVISIONS RELATING TO REDEMPTION**

| | | |
|---|---|---|
| 17 | Issuer Call | [Applicable/Not Applicable]<br><br>(*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (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: | |
| | (a) Minimum Redemption Amount: | [ ]/[Not Applicable] |
| | (b) Maximum Redemption Amount: | [ ]/[Not Applicable] |
| | (iv) Notice period (if other than as set out in the Conditions): | [ ]<br><br>(*N.B. When setting notice periods, 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 Principal Paying Agent*) |
| 18 | Clean-up Call | [Applicable/Not Applicable] |

| | | |
|---|---|---|
| | | (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (i) Optional Redemption Amount (Clean-up Call): | [ ] per Calculation Amount |
| | (ii) Clean-up Call Threshold: | [ ]/As per Conditions |
| 19 | Investor Put | [Applicable/Not Applicable] |
| | | (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) |
| | (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): | [ ]<br>(*N.B. When setting notice periods, 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 Principal Paying Agent*) |
| 20 | Optional Redemption for Subordinated Notes/Senior Non-Preferred Notes/Senior Preferred Notes | [Applicable/Not Applicable] |
| | (i) Special Event Redemption: | |
| | • Tax Event: | [Applicable - Early Redemption Amount (Tax Event): [ ] per Calculation Amount]/[Not Applicable] |
| | • Capital Event: | [Applicable - Early Redemption Amount (Capital Event): [ ] per Calculation Amount]/[Not Applicable] *(Only applicable in the case of Subordinated Notes)* |
| | • MREL Disqualification Event: | [Applicable - Early Redemption Amount (MREL Disqualification Event): [ ] per Calculation Amount]/[Not Applicable] *(Only applicable in the case of Senior Non-Preferred Notes)* |
| | • MREL Disqualification Event – Senior Preferred Notes: | [Applicable – Early Redemption Amount (MREL Disqualification Event): [ ] per Calculation Amount]/[Not Applicable] *(Only applicable in the case of Senior Preferred Notes)* |
| | (ii) Variation or Substitution: | [Applicable – Condition 6(i) applies/Not Applicable] |

| | | |
|---|---|---|
| 21 | Final Redemption Amount | [[ ] per Calculation Amount/specify other/see Appendix] |
| 22 | Early Redemption Amount payable on redemption for taxation reasons [(other than due to the occurrence of a Tax Event)] [, redemption for an Investor Put] or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6(f)): | [[ ] per Calculation Amount/specify other/see Appendix] |

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

| | | |
|---|---|---|
| 23 | Form of the Notes: | |
| | (i) Form: | [Bearer Notes:<br><br>[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for definitive Bearer Notes only upon an Exchange Event.]<br><br>[Permanent Bearer Global Note which is exchangeable for definitive Bearer Notes only upon an Exchange Event.]<br><br>[Registered Notes:<br><br>[Regulation S Global Note (U.S.$ [ ] nominal amount) registered in the name of a nominee of a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]<br><br>[Rule 144A Global Note (U.S.$ [ ] nominal amount)]]<br><br>[VPS Notes:<br><br>VPS Notes issued in uncertificated and dematerialised book entry form. See further item [6] of Part B below] |
| | (ii) New Global Note: | [Yes]/[No]<br><br>(*For VPS Notes, insert "No"*) |
| | (iii) New Safekeeping Structure: | [Yes]/[No]<br>[(For VPS Notes, insert "*No*")] |
| 24 | Additional Financial Centre(s): | [ ]/[Not Applicable]<br><br>(*Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraph 15(iii) relates*) |
| 25 | Talons for future Coupons to be attached to Definitive Bearer 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*] |
| 26 | Other final terms: | [None/*give details*] |

Signed on behalf of the Issuer:

By: ..... By: .....

*Duly authorised signatory* *Duly authorised signatory*

## PART B – OTHER INFORMATION

### 1 LISTING AND ADMISSION TO TRADING

| | |
|---|---|
| Listing and admission to trading: | [Application [will be]/[has been] made by the Issuer (or on its behalf) for the Notes to be [admitted to/listed on] [ ] [and for the Notes to be admitted to trading on [ ]] with effect from [ ]]/[Not Applicable]<br><br>(*N.B. Any market or exchange on which any Exempt Notes are listed or admitted to trading should not be a regulated market for the purposes of MiFID II*) |

### 2 RATINGS

[[The Notes [have been]/[are expected to be] assigned the following ratings] [The following ratings reflect the ratings assigned to Notes of this type issued under the Programme generally]:

[ ] by [Moody's Investors Service (Nordics) AB]

[ ] by [S&P Global Ratings Europe Limited]

[Not Applicable]

(The above disclosure is only required if the ratings of the Notes is different to those stated in the Offering Circular)

### 3 TEFRA RULES

| | |
|---|---|
| Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: | [TEFRA D/TEFRA C/TEFRA not applicable] |

### 4 [REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

| | |
|---|---|
| Reasons for the offer: | [ ] [General financing] [Green Bond] |
| Estimated net proceeds: | [ ] |

### 5 OPERATIONAL INFORMATION

| | | |
|---|---|---|
| (i) | ISIN: | [ ] |
| (ii) | Common Code: | [ ] |
| (iii) | Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking S.A. or Verdipapirsentralen ASA (together with the address of | [give *name(s), address(es) and number(s)*]/[Not Applicable] |

| | | |
|---|---|---|
| | each such clearing system) and the relevant identification number(s): | |
| (iv) | Delivery: | Delivery [against/free of] payment |
| (v) | Names and addresses of additional Paying Agent(s) (if any) or, in the case of VPS Notes, the VPS Agent and the VPS Trustee: | [ ]/[Not Applicable] |
| (vi) | [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] 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 European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]/<br><br>[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 European Central Bank being satisfied that Eurosystem eligibility criteria have been met.]] |
| | Relevant Benchmark[s]: | [SONIA / SOFR / EURIBOR / STIBOR / NIBOR / CIBOR / TIBOR / TRYIBOR / JIBAR / CAD-BA-CDOR / BBSW] is provided by [administrator legal name]][repeat as necessary]. [As at the date hereof, [[administrator legal name][appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 (Register of administrators and benchmarks) of Regulation (EU) 2016/1011, as amended]/[As far as the Issuer is aware, as at the date hereof, [SONIA / SOFR / EURIBOR / STIBOR / NIBOR / CIBOR / TIBOR / TRYIBOR / JIBAR / CAD-BA-CDOR / BBSW] does not fall within the scope of Regulation (EU) 2016/1011, as amended] / [Not Applicable] |

## 6 DISTRIBUTION

| | | |
|---|---|---|
| (i) | Method of distribution: | [Syndicated/Non-syndicated] |
| (ii) | If syndicated, names of Managers: | [Not Applicable/*give names*] |
| (iii) | Date of Subscription Agreement: | [insert date]/[Not Applicable] |
| (iv) | Stabilising Manager(s): | [Not Applicable/*give name(s)*] |
| (v) | If non-syndicated, name of Dealer: | [Not Applicable/*give name*] |
| (vi) | Additional selling restrictions: | [None/*give details*] |

## 7 PROHIBITION OF SALES TO EEA RETAIL INVESTORS

[Not Applicable] (*If the Notes being offered do not constitute "packaged" products, "Not Applicable" should be specified*)

[Applicable] (*If the Notes may constitute "packaged" products, "Applicable" should be specified unless the Issuer has drawn up a key information document in accordance with the PRIIPs Regulation*)

## 8 PROHIBITION OF SALES TO UK RETAIL INVESTORS

[Not Applicable] (*If the Notes being offered do not constitute "packaged" products, "Not Applicable" should be specified*)

[Applicable] (*If the Notes may constitute "packaged" products, "Applicable" should be specified unless the Issuer has drawn up a key information document in accordance with the UK PRIIPs Regulation*)

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or listing authority (if any) and agreed by the Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The following are also the Terms and Conditions of the Notes which will be applicable to each VPS Note. VPS Notes will not be evidenced by any physical note or document of title other than statements of account made by the VPS. Ownership of VPS Notes will be recorded and transfer effected only through the book entry system and register maintained by the VPS. The applicable Final Terms in relation to any Tranche of Notes (other than Exempt Notes) will complete the Terms and Conditions for the purpose of such Notes. The applicable Pricing Supplement in relation to any Tranche of Exempt Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace and/or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms or Pricing Supplement, as the case may be, (or the relevant provisions thereof) will be (i) in the case of Notes other than VPS Notes, endorsed upon, or attached to, each Global Note and definitive Note or (ii) in the case of VPS Notes, deemed to apply to any such Notes.*

This Note is one of a Series (as defined below) of Notes issued by SBAB Bank AB (publ) (the *"Issuer"*). The Notes (other than VPS Notes (as defined below)) will be issued pursuant to the Agency Agreement (as defined below). VPS Notes will be issued in accordance with and subject to a trust agreement (such trust agreement as amended and/or supplemented and/or restated from time to time, the *"VPS Trustee Agreement"*) dated 1 November 2017 made between the Issuer and Nordic Trustee AS (the *"VPS Trustee"*, which expression shall include any successor as VPS Trustee). The VPS Trustee acts for the benefit of the holders for the time being of the VPS Notes, in accordance with the provisions of the VPS Trustee Agreement and these Terms and Conditions (such Terms and Conditions, the "*Conditions*").

Notes may be in bearer form (*"Bearer Notes"*) or in registered form (*"Registered Notes"*).

References herein to the *"Notes"* shall be references to the Notes of this Series only and shall mean:

(i) in relation to any Notes represented by a global Note (a *"Global Note"*), units of the lowest Specified Denomination in the Specified Currency;

(ii) any Global Note;

(iii) any definitive Notes issued in exchange for a Global Note; and

(iv) uncertificated and dematerialised Notes in book entry form registered in the Norwegian Central Securities Depository, *Verdipapirsentralen ASA* (*"VPS Notes"* and the *"VPS"*, respectively).

The Notes (other than the VPS Notes, save to the extent provided therein) and the Coupons (as defined below) have the benefit of an amended and restated Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the *"Agency Agreement"*) dated 1 November 2022, and made between the Issuer, The Bank of New York Mellon, London Branch as issuing and principal paying agent and agent bank (the *"Principal Paying Agent"*, which expression shall include any successor principal paying agent) and the other paying agents named therein (together with the Principal Paying Agent, the *"Paying Agents"*, which expression shall include any additional or successor paying agents), The Bank of New York Mellon, New York Branch as exchange agent (the *"Exchange Agent"*, which expression shall include any successor exchange agent) and as registrar (the *"Registrar"*, which expression shall include any successor

registrar) and a transfer agent and the other transfer agents named therein (together with the Registrar, the *"Transfer Agents"*, which expression shall include any additional or successor transfer agents).

Each issue of VPS Notes will have the benefit of a VPS Agency Agreement (such VPS Agency Agreement as amended and/or supplemented and/or restated from time to time, the *"VPS Agency Agreement"*) between the Issuer and an agent (the *"VPS Agent"*) who will act as agent of the Issuer in respect of all dealings with the VPS in respect of VPS Notes as provided in the relevant VPS Agency Agreement. References herein to the VPS Agency Agreement shall be to the relevant VPS Agency Agreement entered into in respect of each issue of VPS Notes.

References herein to *"Exempt Notes"* are to Notes which are neither admitted to trading on a regulated market in the European Economic Area (the *"EEA"*) nor offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Regulation. For the purposes of these Conditions, *"Prospectus Regulation"* means Regulation (EU) 2017/1129.

The final terms for this Note (or the relevant provisions thereof) are set out in (i) in the case of Notes other than Exempt Notes, Part A of a final terms document (the *"Final Terms"*) which completes these Conditions for the purposes of such Notes or (ii) in the case of Exempt Notes, Part A of a pricing supplement (the *"Pricing Supplement"*) which completes, amends, modifies and/or replaces these Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, amend, modify and/or replace the Conditions for the purposes of such Exempt Notes. Except in the case of a VPS Note, the Final Terms or Pricing Supplement, as the case may be, for this Note shall be attached to, or endorsed on, this Note. References herein to the *"applicable Final Terms"* are, except in the case of a VPS Note, to Part A of the Final Terms (or the relevant provisions thereof) attached to, or endorsed on, this Note. If this Note is an Exempt Note, any reference in the Conditions to *"applicable Final Terms"* shall be deemed to be a reference to *"applicable Pricing Supplement"* where relevant. In the case of a VPS Note, references herein to the *"applicable Final Terms"* are to Part A of the Final Terms or Pricing Supplement, as the case may be, provided to the VPS Agent, the VPS Trustee and the VPS in connection with such VPS Notes.

Interest bearing definitive Bearer Notes (unless otherwise indicated in the applicable Final Terms) have interest coupons (*"Coupons"*) and, if indicated in the applicable Final Terms, talons for further Coupons (*"Talons"*) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered Notes and Global Notes do not have Coupons or Talons attached on issue.

Any reference to *"Noteholders"* or *"holders"* in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the person in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note and in relation to any VPS Notes, be construed as provided below. Any reference herein to *"Couponholders"* shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, *"Tranche"* means Notes which are identical in all respects (including as to listing) and *"Series"* means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Noteholders (other than holders of VPS Notes) and the Couponholders are entitled to the benefit of the amended and restated Deed of Covenant (the *"Deed of Covenant"*) dated 31 October 2019 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below) or, as the case may be, the common service provider.

Copies of the Agency Agreement, a deed poll (the *"Deed Poll"*) dated 6 October 2004 and made by the Issuer and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Principal Paying Agent, the Registrar and the other Paying Agents and Transfer Agents (together referred to as the *"Agents"*). Copies of the VPS Agency Agreement and the VPS Trustee Agreement will be available for inspection during normal business hours at the specified office of the VPS Agent and at the registered office for the time being of the VPS Trustee. Copies of the applicable Final Terms are available from the registered office of the Issuer and the specified office of each of the Agents (save that, if this Note is an Exempt Note, the applicable Pricing Supplement will only be available for inspection by a holder of such Notes and such holder must produce evidence satisfactory to the Issuer and/or the relevant Agent as to its holding of Notes and identity). In addition, copies of each Final Terms relating to Notes which are admitted to trading on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin ("*Euronext Dublin*") will be published on the website of the Central Bank of Ireland and Euronext Dublin. Copies of each Final Terms relating to Notes which are admitted to trading on any other regulated market in the EEA or offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Regulation will be published in accordance with the Prospectus Regulation and the rules and regulations of the relevant regulated market. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant, the VPS Agency Agreement, the VPS Trustee Agreement and the applicable Final Terms which are applicable to them. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement and, in the case of VPS Notes, the VPS Agency Agreement and the VPS Trustee Agreement.

Words and expressions defined in the Agency Agreement, the VPS Agency Agreement or the VPS Trustee Agreement or used in the applicable Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement, the VPS Agency Agreement or the VPS Trustee Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

## 1 FORM, DENOMINATION AND TITLE

The Notes are (i) Bearer Notes, (ii) Registered Notes or (iii) in the case VPS Notes, in uncertificated and dematerialised book entry form, in each case as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered, in the currency (the *"Specified Currency"*) and the denomination(s) (the *"Specified Denomination(s)"*) specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and *vice versa.* Notes (other than VPS Notes) may not be exchanged for VPS Notes and *vice versa*.

This Note is a Senior Preferred Note, a Senior Non-Preferred Note or a Subordinated Note, as indicated in the applicable Final Terms.

Unless this Note is an Exempt Note, this Note is a Fixed Rate Note, a Reset Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Conditions are not applicable.

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer and any Agent will (except as otherwise required by law) deem and treat the bearer of

any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note in bearer form (a *"Bearer Global Note"*) or a Regulation S Global Note (as defined below) held on behalf of Euroclear Bank SA/NV (*"Euroclear"*) and/or Clearstream Banking S.A. (*"Clearstream, Luxembourg"*), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Regulation S Global Note shall be treated by the Issuer and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions *"Noteholder"* and *"holder of Notes"* and related expressions shall be construed accordingly.

For so long as the Depository Trust Company (*"DTC"*) or its nominee is the registered owner or holder of a Rule 144A Global Note (as defined below), DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Rule 144A Global Note for all purposes under the Agency Agreement and the Notes except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of DTC, Euroclear and Clearstream, Luxembourg, as the case may be. References to DTC, Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

Title to VPS Notes will pass by registration in the registers between the direct or indirect accountholders at the VPS in accordance with the Norwegian Securities Depository Act of 15 March 2019 no. 6 (No. *verdipapirsentralloven*) (the *"VPS Act"*) and the rules and procedures of the VPS. The holder of a VPS Note will be the person evidenced as such by a book entry in the records of the VPS. The person evidenced (including any nominee) as a holder of the VPS Notes shall be treated as the holder of such VPS Notes for the purposes of payment of principal or interest on such Notes and for all other purposes. The expressions *"Noteholders"* and *"holder of Notes"* and related expressions shall, in each case, be construed accordingly. Any references in these Conditions to Coupons, Talons, Couponholders, Global Notes and Notes in definitive form (or, in each case, similar expressions) shall not apply to VPS Notes.

## 2 TRANSFERS OF REGISTERED NOTES

### *(a) Transfers of interests in Registered Global Notes*

Transfers of beneficial interests in Global Notes in registered form (each a *"Registered Global Note"*) will be effected by DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Registered Notes in definitive form or for a beneficial interest in another Registered Global Note only in the authorised

denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of DTC, Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement. Transfers of a Rule 144A Global Note shall be limited to transfers of such Rule 144A Global Note, in whole but not in part, to a nominee of DTC or to a successor of DTC or such successor's nominee.

*(b) Transfers of Registered Notes in definitive form*

Subject as provided in paragraphs (e), (f) and (g) below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer (i) the holder or holders must (A) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 9 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations) authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

*(c) Registration of transfer upon partial redemption*

In the event of a partial redemption of Notes under Condition 6, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

*(d) Costs of registration*

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by ordinary uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

*(e) Transfers of interests in Regulation S Global Notes*

Prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Regulation S Global Note to a transferee in the United States or who is a U.S. person will only be made:

(i) upon receipt by the Registrar of a written certification substantially in the form set out in the Agency Agreement, amended as appropriate (a *"Transfer Certificate"*), copies of which are

available from the specified office of the Registrar or any Transfer Agent, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made to a person whom the transferor reasonable believes is a QIB in a transaction meeting the requirements of Rule 144A; or

(ii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

In the case of (i) above, such transferee may take delivery through a Legended Note in global or definitive form.

*(f) Transfers of interest in Legended Notes*

Transfers of Legended Notes or beneficial interests therein may be made:

(i) to a transferee who takes delivery of such interest through a Regulation S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S; or

(ii) to a transferee who takes delivery of such interest through a Legended Note where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or

(iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the Legend, the Registrar shall deliver only Legended Notes or refuse to remove such Legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

*(g) Exchanges and transfers of Registered Notes generally*

Holders of Registered Notes in definitive form may exchange such Notes for interests in a Registered Global Note of the same type at any time.

*(h) Definitions*

In these Conditions, the following expressions shall have the following meanings:

*"Distribution Compliance Period"* means the period that ends 40 days after the completion of the distribution of each Tranche of Notes;

*"Legended Note"* means Registered Notes (whether in definitive form or represented by a Registered Global Note) sold in private transactions to QIBs in accordance with the requirements of Rule 144A;

*"QIB"* means a "qualified institutional buyer" within the meaning of Rule 144A;

*"Regulation S"* means Regulation S under the Securities Act;

*"Regulation S Global Note"* means a Registered Global Note representing Notes sold outside the United States in reliance on Regulation S;

*"Rule 144A"* means Rule 144A under the Securities Act;

*"Rule 144A Global Note"* means a Registered Global Note representing Notes sold in the United States or to QIBs; and

*"Securities Act"* means the United States Securities Act of 1933, as amended.

## 3 STATUS OF THE NOTES

*(a) Status – Senior Preferred Notes*

This Condition 3(a) is applicable in relation to Notes specified in the applicable Final Terms as Senior Preferred Notes and references to *"Notes"* and *"Coupons"* in this Condition shall be construed accordingly.

The Notes and any relative Coupons are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* (save for certain obligations required to be preferred by law) with all other unsecured obligations (other than subordinated obligations and Senior Non-Preferred Liabilities, if any) of the Issuer, from time to time outstanding.

*(b) Status - Senior Non-Preferred Notes*

This Condition 3(b) is applicable in relation to Notes specified in the applicable Final Terms as Senior Non-Preferred Notes and references to "*Notes*" and "*Coupons*" in this Condition shall be construed accordingly.

The Notes and any relative Coupons constitute and will constitute direct and unsecured obligations with Senior Non-Preferred Ranking of the Issuer and will rank *pari passu* without any preference among themselves. In the event of the voluntary or involuntary liquidation (*Sw. likvidation*) or bankruptcy (*Sw. konkurs*) of the Issuer, the rights of the holders of any Notes to payments on or in respect of such Notes (including any damages awarded for breach of any obligations under these Conditions, if any are payable) shall rank:

(i) *pari passu* with the rights and claims of holders of all other Senior Non-Preferred Liabilities of the Issuer;

(ii) senior to the rights and claims of holders of all classes of share capital (including preference shares (if any)) of the Issuer and any subordinated obligations or other securities of the Issuer (including the Subordinated Notes and any Additional Tier 1 Instruments) which by law rank, or by their terms are expressed to rank, junior to the Senior Non-Preferred Liabilities of the Issuer; and

(iii) junior to present or future rights and claims of (a) depositors of the Issuer and (b) other unsubordinated creditors of the Issuer (including holders of the Senior Preferred Notes) that are not creditors in respect of Senior Non-Preferred Liabilities of the Issuer.

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 Senior Non-Preferred Notes.

*(c) Status – Subordinated Notes*

This Condition 3(c) is applicable in relation to Notes specified in the applicable Final Terms as Subordinated Notes and references to *"Notes"* and *"Coupons"* in this Condition shall be construed accordingly.

The Notes and any relative Coupons constitute and will constitute direct, unsecured and subordinated obligations of the Issuer. In the event of the voluntary or involuntary liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer, the rights of the holders of any Notes to payments on or in respect of such Notes (including any damages awarded for breach of any obligations under these Conditions, if any are payable) shall rank:

(i) *pari passu* without any preference among the Notes;

(ii) at least *pari passu* with the rights and claims 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;

(iii) senior to the rights and claims of creditors in respect of any subordinated obligation of the Issuer which constitutes an Additional Tier 1 Instrument;

(iv) senior to the rights and claims of holders of all classes of share capital (including preference shares (if any)) of the Issuer; and

(v) junior to present or future rights and claims of (x) depositors of the Issuer, (y) other unsubordinated creditors of the Issuer (including holders of the Senior Non-Preferred Notes), and (z) subordinated creditors of the Issuer whose rights are expressed to rank in priority to the holders of the Notes,

subject, in all cases, to mandatory provisions of Swedish law, including but not limited to the Swedish implementation of Article 48(7) of the BRRD to the effect that claims resulting from items qualifying (whether in whole or in part) as own funds of the Issuer have a lower priority ranking than any claim that results from an item which does not qualify (whether in whole or in part) as own funds of the Issuer.

For the purposes of Conditions 3(b) and 3(c), Tier 2 Capital and Additional Tier 1 Capital shall be construed to mean any instrument or security of the Issuer which is recognised as such in respect of the Issuer, at the time of its issue, by the Relevant Regulator.

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.

*(d) Waiver of set-off*

Subject to applicable law, no holder of a Note, or a Coupon relating thereto, may exercise, claim or plead any right of set-off, netting, compensation or retention in respect of any amounts owed to it by the Issuer in respect of, arising under, or in connection with the Notes or the Coupons relating thereto and each holder of a Note or a Coupon relating thereto shall, by virtue of his holding of any such Note or Coupon, be deemed, to the extent permitted under applicable law, to have waived all such rights of set-off, netting, compensation or retention. Notwithstanding the preceding sentence, if any of the amounts owing to any Noteholder or Couponholder by the Issuer in respect of or arising under or in connection with the Notes or the Coupons relating thereto is discharged by set-off or any netting, such Noteholder or Couponholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or in the event of its winding-up, the liquidator of the Issuer) and accordingly such discharge will be deemed not to have taken

place, and until such payment is made shall hold an amount equal thereto in trust for the Issuer (or the liquidator of the Issuer).

*(e) Definitions*

For the purposes of these Conditions:

*"Additional Tier 1 Capital"* means additional tier 1 capital (Sw. *primärkapital*) 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 instruments of the Issuer that at the time of issuance comply with the then current requirements under Applicable Banking Regulations in relation to Additional Tier 1 Capital and (ii) any instrument, security or other obligation of the Issuer which ranks, or is expressed to rank, on a voluntary or involuntary liquidation or bankruptcy 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 Relevant Regulator 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 or to the Issuer and its subsidiaries (the *"SBAB Group"*)).

"*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 SBAB Group, as the case may be, including, without limitation to the generality of the foregoing, CRD IV, the BRRD, the Swedish Resolution Act (*lag (2015:1016) om resolution*) and the Swedish National Debt Office Regulations RKGFS 2015:2 and 2016:1 (Sw. *Riksgäldskontorets föreskrifter RKGFS 2015:2 och 2016:1)* (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 SBAB Group, as the case may be);

"*BRRD*" means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, as the same may be amended or replaced from time to time (including by BRRD II);

"*BRRD II*" means Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC, as the same may be amended or replaced from time to time;

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

*"CRD 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 (including by the CRD V Directive);

*"CRD Implementing Measures"* means any rules, regulations or other requirements (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) implementing (or promulgated in the context of) the CRD Directive or the CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts or regulations (including

technical standards) adopted by the European Commission, national laws and regulations, regulations adopted by the Relevant Regulator and guidelines issued by the Relevant Regulator, the European Banking Authority or any other relevant authority, which are applicable to the Issuer or the SBAB Group;

"*CRD V Directive*" means Directive 2019/878 as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU, as the same may be amended or replaced from time to time;

*"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 (including by the CRR II);

"*CRR II*" means Regulation (EU) 2019/876 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013, and Regulation (EU) No 648/2012, as amended or replaced from time to time;

"*MREL Eligible Liabilities*" means "eligible liabilities" (or any equivalent or successor term) which are available to meet any MREL Requirement (however called or defined by then Applicable MREL Regulations) of the Issuer or the SBAB Group, as the case may be, under Applicable MREL Regulations;

"*MREL Requirement*" means the minimum requirement for own funds and eligible liabilities which applicable to the Issuer or the SBAB Group, as the case may be;

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

"*Senior Non-Preferred Liabilities*" means liabilities having a Senior Non-Preferred Ranking;

"*Senior Non-Preferred Ranking*" means the ranking set out in the second sentence of the first paragraph of Section 18 of the Swedish Rights of Priority Act (Sw. 18 § *första stycket 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;

*"Swedish FSA"* means the Swedish Financial Supervisory Authority (Sw. *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; and

*"Tier 2 Capital"* means Tier 2 capital (Sw. *supplementärkapital*) as defined in the CRR or in any other Applicable Banking Regulations, in each case as amended or replaced.

## 4 INTEREST

### *(a) Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest specified in the applicable Final Terms. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in these Conditions, *"Fixed Interest Period"* means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(i) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or

(ii) in the case of Fixed Rate Notes in definitive form, the Calculation Amount; or

(iii) in the case of Fixed Rate Notes which are VPS Notes, the aggregate outstanding nominal amount of the Fixed Rate Notes,

and, in each case, 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. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

*"Day Count Fraction"* means, in respect of the calculation of an amount of interest in accordance with this Condition 4(a):

(i) if *"Actual/Actual (ICMA)"* is specified in the applicable Final Terms:

*(A)* in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the *"Accrual Period"*) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; or

*(B)* in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; or

(ii) if *"30/360"* is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with twelve 30-day months) divided by 360; or

(iii) if any of "Actual/Actual", "Actual/Actual – ISDA", "Actual/365 (Fixed)", "Actual/365 (Sterling)", "Actual/360", "360/360", "Bond Basis", "30E/360", "Eurobond Basis" or "30E/360 (ISDA)" is specified in the applicable Final Terms, such terms shall have the meanings specified in Condition 4(c)(iv) below save that references therein to an "Interest Period" shall be construed as references to a "Fixed Interest Period".

"*Determination Date*" has the meaning specified in the applicable Final Terms.

*"Determination Period"* means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

*"sub-unit"* means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

*(b) Interest on Reset Notes*

(i) *Rates of Interest and Interest Payment Dates*

Each Reset Note bears interest:

*(A)* from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the rate(s) per annum equal to the Initial Rate(s) of Interest;

*(B)* from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and

*(C)* for each Subsequent Reset Period thereafter (if any), at the rate per annum equal to the relevant Subsequent Reset Rate of Interest,

payable, in each case, in arrear on the Interest Payment Date(s) up to (and including) the Maturity Date.

The Calculation Agent will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the Reset Period, and will calculate the amount of interest (the *"Interest Amount"*) payable on the Reset Notes for each Fixed Interest Period by applying the Rate of Interest to:

(a) in the case of Reset Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Reset Notes represented by such Global Note; or

(b) in the case of Reset Notes in definitive form, the Calculation Amount; or

(c) in the case of Reset Notes which are VPS Notes, the aggregate outstanding nominal amount of the VPS Notes,

and, in each case, 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. Where the Specified Denomination of a Reset Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Reset Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In this Condition 4(b):

"*Benchmark Gilt*" means such UK government security or securities having an actual or interpolated maturity date on or about the last day of such Reset Period as the Issuer, after consultation with an independent financial institution of international repute or an independent financial adviser with appropriate experience in the international debt capital markets appointed by the Issuer, may determine would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in sterling and of a comparable maturity to the relevant Reset Period;

"*Benchmark Gilt Rate*" means, in respect of a Reset Period, the gross redemption yield (as calculated by the Calculation Agent in accordance with generally accepted market practice at such time) on a semi-annual compounding basis (rounded up (if necessary) to four decimal places) of the Benchmark Gilt in respect of that Reset Period, with the price of the Benchmark Gilt for this purpose being the arithmetic average (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered prices of such Benchmark Gilt quoted by the Reference Banks (as defined in this Condition 4(b)(i)) at 3.00 p.m. (London time) on the relevant Reset Determination Date on a dealing basis for settlement on the next following dealing day in London. If at least four quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two or three quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Benchmark Gilt Rate will be the rounded quotation provided. If no quotations are provided, the Benchmark Gilt Rate will be (i) in the case of each Reset Period other than the Reset Period commencing on the First Reset Date, the Reset Rate in respect of the immediately preceding Reset Period or (ii) in the case of the Reset Period commencing on the First Reset Date, an amount specified in the applicable Final Terms as the "First Reset Period Fallback";

*"Business Day"* has the meaning given in Condition 4(c)(i);

"*CMT Designated Maturity*" has the meaning given to it in the applicable Final Terms;

"*CMT Rate*" means, in relation to a Reset Period and the Reset Determination Date in relation to such Reset Period, the rate determined by the Calculation Agent, and expressed as a percentage, equal to:

(i) the yield for United States Treasury Securities at "constant maturity" for the CMT Designated Maturity, as published in the H.15 under the caption "treasury constant maturities (nominal)", as that yield is displayed on the CMT Rate Screen Page on such Reset Determination Date; or

(ii) if the yield referred to in paragraph (i) above is not published by 4:00 p.m. (New York City time) on the CMT Rate Screen Page on such Reset Determination Date, the yield for the United States Treasury Securities at "constant maturity" for the CMT Designated Maturity as published in the H.15 under the caption "treasury constant maturities (nominal)" on such Reset Determination Date;

"*CMT Rate Screen Page*" has the meaning given to it in the applicable Final Terms or any successor service or such other page as may replace that page on that service for the purpose of displaying "treasury constant maturities" as reported in H.15;

*"Day Count Fraction"* and related definitions have the meanings given in Conditions 4(a) and 4(c)(iv) save that references therein to an "Interest Period" shall be construed as references to a "Fixed Interest Period";

"*dealing day*" means a day, other than a Saturday or Sunday, on which the London Stock Exchange (or such other stock exchange on which the Benchmark Gilt is at the relevant time listed) is ordinarily open for the trading of securities;

*"First Margin"* means the margin specified as such in the applicable Final Terms;

*"First Reset Date"* means the date specified in the applicable Final Terms;

*"First Reset Period"* means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the Maturity Date;

*"First Reset Rate of Interest"* means, in respect of the First Reset Period and subject to Condition 4(b)(ii) and (if applicable) Condition 4(d), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Rate and the First Margin;

"*H.15*" means the daily statistical release designated as H.15, or any successor publication, published by the board of governors of the Federal Reserve System at http://www.federalreserve.gov/releases/H15 or any successor site or publication;

*"Initial Mid-Swap Rate"* has the meaning specified in the applicable Final Terms;

*"Initial Rate of Interest"* has the meaning specified in the applicable Final Terms;

*"Mid-Market Swap Rate"* means for any Reset Period the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the Original Mid-Swap Rate Basis (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 which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Floating Leg Maturity (as specified in the applicable Final Terms) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

*"Mid-Market Swap Rate Quotation"* means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

*"Mid-Swap Floating Leg Benchmark Rate"* has the meaning specified in the applicable Final Terms;

"*Mid-Swap Floating Leg Maturity*" has the meaning specified in the applicable Final Terms;

*"Mid-Swap Rate"* means, in relation to a Reset Determination Date and subject to Condition 4(b)(ii) and (if applicable) Condition 4(d), either:

(i) if Single Mid-Swap Rate is specified in the applicable Final Terms, the rate for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

(ii) if Mean Mid-Swap Rate is specified in the applicable Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

"*Original Mid-Swap Rate Basis*" has the meaning specified in the applicable Final Terms. In the case of Notes other than Exempt Notes, the Original Mid-Swap Rate Basis shall be annual, semi-annual, quarterly or monthly;

*"Rate of Interest"* means the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

*"Reference Banks"* means the principal office in the principal financial centre of the Specified Currency of (i) in the case of a Mid-Swap Rate, five major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate, (ii) in the case of a CMT Rate, five banks which are primary United States Treasury Securities dealers or market makers in pricing corporate bond issues denominated in U.S. dollars in New York or (iii) in the case of a Benchmark Gilt Rate, five brokers of gilts and/or gilt-edged market makers, in each case, as selected by the Issuer on the advice of an investment bank of international repute;

*"Relevant Screen Page"* has the meaning specified in the applicable Final Terms;

*"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 or, if the Specified Currency is U.S. dollars, the second U.S. Government Securities Business Day prior to the relevant Reset Date;

*"Reset Period"* means the First Reset Period or a Subsequent Reset Period, as the case may be;

"*Reset Period Maturity Initial Mid-Swap Rate*" has the meaning specified in the applicable Final Terms;

"*Reset Rate*" means (a) if "Mid-Swap Rate" is specified in the applicable Final Terms, the relevant Mid-Swap Rate, (b) if "Benchmark Gilt Rate" is specified in the applicable Final Terms, the relevant Benchmark Gilt Rate or (c) if "CMT Rate" is specified in the applicable Final Terms, the relevant CMT Rate;

"*Reset United States Treasury Securities Quotation*" means, in relation to a Reset Period and the Reset Determination Date in relation to such Reset Period, the rate quoted by a Reference Bank as being the yield-to-maturity based on the arithmetic mean of the secondary market bid price of such Reference Bank for Reset United States Treasury Securities at approximately 4:30 p.m. (New York City time) on such Reset Determination Date;

"*Reset United States Treasury Securities*" means, on the relevant Reset Determination Date, United States Treasury Securities with an original maturity equal to the CMT Designated Maturity, a remaining term to maturity of no more than one year shorter than the CMT Designated Maturity and in a principal amount equal to an amount that is representative for a single transaction in such United States Treasury Securities in the New York City market. If two or more United States Treasury Securities have remaining terms to maturity of no more than one year shorter than the CMT Designated Maturity, the United States Treasury Security with the longer remaining term to maturity will be used and if two or more United States Treasury Securities have remaining terms to maturity equally close to the duration of the CMT Designated Maturity, the United States Treasury Security with the largest nominal amount outstanding will be used;

*"Second Reset Date"* means the date specified in the applicable Final Terms;

*"Subsequent Margin"* means the margin(s) specified as such in the applicable Final Terms;

*"Subsequent Reset Date"* means the date or dates specified in the applicable Final Terms;

*"Subsequent Reset Period"* means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date or the Maturity Date, as the case may be;

*"Subsequent Reset Rate of Interest"* means, in respect of any Subsequent Reset Period and subject to Condition 4(b)(ii) and (if applicable) Condition 4(d), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Rate and the relevant Subsequent Margin;

"*United States Treasury Securities*" means securities that are direct obligations of the United States Treasury, issued other than on a discount rate basis; and

"*U.S. Government Securities Business Day*" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(ii) *Fallbacks*

*(A) Mid-Swap Rate*

If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Calculation Agent shall request each of the Reference Banks (as defined above) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or relevant Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date only one of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 4(b)(ii)(A), the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the sum of (A) the relevant Mid-Market Swap Rate Quotation provided and (B) the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this Condition 4(b)(ii)(A):

*(A)* in the case of the first Reset Determination Date only, the First Reset Rate of Interest shall be equal to the sum of:

(1) if Initial Mid-Swap Rate Final Fallback is specified in the applicable Final Terms as being applicable, (A) the Initial Mid-Swap Rate and (B) the First Margin;

(2) if Reset Maturity Initial Mid-Swap Rate Final Fallback is specified in the applicable Final Terms as being applicable, (A) the Reset Period Maturity Initial Mid-Swap Rate and (B) the First Margin; or

(3) if Last Observable Mid-Swap Rate Final Fallback is specified in the applicable Final Terms as being applicable, (A) the last observable rate for swaps in the Specified Currency with a term equal to the relevant Reset Period which appears on the Relevant Screen Page and (B) the First Margin,

provided that if the application of (A)(2) or (A)(3) could, in the determination of the Issuer, reasonably be expected to prejudice the qualification of the relevant Series of Subordinated Notes as Tier 2 Capital or the relevant Series of Senior Preferred Notes or relevant Series of Senior Non-Preferred Notes as MREL Eligible Liabilities, then (A)(1) above will apply; or

*(B)* in the case of any Reset Determination Date other than the first Reset Determination Date, the Subsequent Reset Rate of Interest shall be equal to the sum of:

(1) if Subsequent Reset Rate Mid-Swap Rate Final Fallback is specified in the applicable Final Terms as being applicable, (A) the Mid-Swap Rate determined on the last preceding Reset Determination Date and (B) the Subsequent Margin; or

(2) if Subsequent Reset Rate Last Observable Mid-Swap Rate Final Fallback is specified in the applicable Final Terms as being applicable, (A) the last observable rate for swaps in the Specified Currency with a term equal to the relevant Reset Period which appears on the Relevant Screen Page and (B) the Subsequent Margin, provided that if the application of this paragraph (B)(2), in the determination of the Issuer, could reasonably be expected to prejudice the qualification of the relevant Series of Subordinated Notes as Tier 2 Capital or the relevant Series of Senior Preferred Notes or relevant Series of Senior Non-Preferred Notes as MREL Eligible Liabilities, then (B)(1) above will apply,

all as determined by the Calculation Agent in accordance with the provisions set out above.

*(B) CMT Rate*

If on any Reset Determination Date the yield referred to in paragraph (i) of the definition of "CMT Rate" in Condition 4(b)(i) is not available and the yield referred to in paragraph (ii) of the definition of "CMT Rate" in Condition 4(b)(i) is not published by 4:30 p.m. (New York City time), the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its Reset United States Treasury Securities Quotation at or around 4:30 p.m. (New York City time) on the relevant Reset Determination Date.

If at least four quotations are provided, the relevant CMT Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two or three quotations are provided, the relevant CMT Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the relevant CMT Rate will be the rounded quotation provided. If no quotations are provided, the relevant CMT Rate will be (i) in the case of each Reset Period other than the First Reset Period, the relevant CMT Rate but calculated as at the last available date preceding the relevant Reset Determination Date on which such a rate was published or (ii) in the case of the First Reset Period, an amount as set out in the Final Terms as the "First Reset Period Fallback".

(iii) *Notification of First Reset Rate of Interest, Subsequent Reset Rate of Interest and Interest Amounts*

The Calculation Agent will cause the First Reset Rate of Interest, any Subsequent Reset Rate of Interest and, in respect of a Reset Period, the Interest Amount payable on each Interest Payment Date falling in such Reset Period to be notified to the Issuer, the Principal Paying Agent and any stock exchange on which the relevant Reset Notes are for the time being listed and, in the case of VPS Notes, the VPS, the VPS Trustee and the VPS Agent (by no later than the first day of each Reset Period) and notice thereof to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. For the purposes of this paragraph (iii), the expression *"London Business Day"* means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London. The notification of any rate or amount, if applicable, shall be made to the VPS in accordance with and subject to the rules and regulations of the VPS for the time being in effect.

(iv) *Mid-Swap Rate Conversion*

This Condition 4(b)(iv) is only applicable if Mid-Swap Rate Conversion is specified in the applicable Final Terms as being applicable. If Mid-Swap Rate Conversion is so specified as being applicable, the First Reset Rate of Interest and, if applicable, each Subsequent Reset Rate of Interest will be converted from the Original Mid-Swap Rate Basis specified in the applicable Final Terms to a basis which matches the per annum frequency of Interest Payment Dates in respect of the relevant Notes (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it).

(v) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b) by the Calculation Agent shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Calculation Agent, the Principal Paying Agent, the other Paying Agents, the VPS Agent, the VPS Trustee and all Noteholders and Couponholders and (in the absence of negligence or wilful default) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Calculation Agent, the Principal Paying Agent, the VPS Agent or the VPS Trustee, as the case may be, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

*(c) Interest on Floating Rate Notes*

(i) *Interest Payment Dates*

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

*(A)* the Interest Payment Date(s) in each year specified in the applicable Final Terms; or

*(B)* if no Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Interest Payment Date, an *"Interest Payment Date"*) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each *"Interest Period"* (which expression shall mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(1) in any case where Specified Periods are specified in accordance with Condition 4(c)(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest

Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

(2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In this Condition 4(c), *"Business Day"* means a day which is:

*(A)* either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the *"TARGET2 System"*) is open;

*(B)* a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Business Centre (other than the TARGET2 System) specified in the applicable Final Terms (if any); and

*(C)* if TARGET2 System is specified as an Additional Business Centre in the applicable Final Terms, a day on which the TARGET2 System is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

*(A) ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), *"ISDA Rate"* for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent under an interest rate swap transaction if the Principal Paying Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as amended and updated as at the Issue Date of the first Tranche of the Notes, published by the International Swaps and Derivatives Association, Inc. (the *"ISDA Definitions"*) under which:

(1) the Floating Rate Option is as specified in the applicable Final Terms;

(2) the Designated Maturity is a period specified in the applicable Final Terms; and

(3) the relevant Reset Date is the day specified in the applicable Final Terms.

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

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

*(B) Screen Rate Determination for Floating Rate Notes not referencing Compounded SONIA or SOFR Benchmark*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and unless the Reference Rate in respect of the relevant Series of Floating Rate Notes is specified in the applicable Final Terms as being "Compounded SONIA" or "SOFR Benchmark", the Rate of Interest for each Interest Period will, subject to Condition 4(d) and as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) 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 as at the Relevant Time on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent or, in the case of VPS Notes, 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 Principal Paying Agent or the Calculation Agent, as the case may be, for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

For the purposes of these Conditions:

"*Calculation Agent*" means the person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest and Interest Amount, or if no person is so specified, the Principal Paying Agent.

*"Interest Determination Date"* shall mean the date specified as such in the Final Terms or if none is so specified:

(i) if the Reference Rate is the Euro-zone interbank offered rate (*"EURIBOR"*), the second day on which the TARGET2 System is open prior to the start of each Interest Period;

(ii) if the Reference Rate is the Stockholm interbank offered rate (*"STIBOR"*), the second Stockholm business day prior to the start of each Interest Period;

(iii) if the Reference Rate is the Norwegian interbank offered rate (*"NIBOR"*), the second Oslo business day prior to the start of each Interest Period;

(iv) if the Reference Rate is the Copenhagen interbank offered rate (*"CIBOR"*), the second Copenhagen business day prior to the start of each Interest Period;

(v) if the Reference Rate is the Tokyo interbank offered rate (*"TIBOR"*), the second Tokyo business day prior to the start of each Interest Period;

(vi) if the Reference Rate is the Istanbul interbank offered rate (*"TRYIBOR"*), the second Istanbul business day prior to the start of each Interest Period;

(vii) if the Reference Rate is the Johannesburg interbank agreed rate (*"JIBAR"*), the first day of each Interest Period; or

(viii) if the Reference Rate is CAD-BA-CDOR, the first day of each Interest Period; or

(ix) if the Reference Rate is the Australian Bank Bill Swap Rate (*"BBSW"*), the first day of each Interest Period.

*"Reference Rate"* shall mean (i) EURIBOR, (ii) STIBOR, (iii) NIBOR, (iv) CIBOR, (v) TIBOR, (vi) TRYIBOR, (vii) JIBAR, (viii) CAD-BA-CDOR, or (ix) BBSW, in each case for the relevant period, as specified in the applicable Final Terms.

*"Relevant Financial Centre"* shall mean (i) Brussels, in the case of a determination of EURIBOR, (ii) Stockholm, in the case of a determination of STIBOR, (iii) Oslo, in the case of a determination of NIBOR, (iv) Copenhagen, in the case of a determination of CIBOR, (v) Tokyo, in the case of a determination of TIBOR, (vi) Istanbul, in the case of a determination of TRYIBOR, (vii) Johannesburg, in the case of a determination of JIBAR, (viii) Toronto, in the case of a determination of CAD-BA-CDOR, or (ix) Sydney, in the case of a determination of BBSW, as specified in the applicable Final Terms.

*"Relevant Screen Page"* has the meaning specified in the applicable Final Terms.

*"Relevant Time"* shall mean (i) in the case of EURIBOR, 11.00 a.m., (ii) in the case of STIBOR, 11.00 a.m., (iii) in the case of NIBOR, 12.00 noon, (iv) in the case of CIBOR, 11.00 a.m., (v) in the case of TIBOR, 11.00 a.m., (vi) in the case of TRYIBOR, 11.15 a.m., (vii) in the case of JIBAR, 11.00 a.m., (viii) in the case of CAD-BA-CDOR, 10.00 a.m., or (ix) in the case of BBSW, 10.30 a.m., in each case in the Relevant Financial Centre, as specified in the applicable Final Terms.

If, in the case of Floating Rate Notes, the Relevant Screen Page is not available or if, in the case of Condition 4(c)(ii)(B)(1), no such offered quotation appears or, in the case of Condition 4(c)(ii)(B)(2), fewer than three such offered quotations appear, in each case as at the Relevant Time, the Principal Paying Agent, or the Calculation Agent, as the case may be, shall request each of the Reference Banks to provide the Principal Paying Agent or the Calculation Agent, as the case may be, with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Relevant Time in the Relevant Financial Centre on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent or the Calculation Agent, as the case may be, with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as the case may be.

If on any Interest Determination Date one only or none of the Reference Banks provides the Principal Paying Agent or the Calculation Agent, as the case may be, with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Principal Paying Agent or the Calculation Agent, as the case may be, determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Principal Paying Agent or the Calculation Agent, as the case may be, by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Relevant Time in the Relevant Financial Centre 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 the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Stockholm inter-bank market (if the Reference Rate is STIBOR) or the Oslo inter-bank market (if the Reference Rate is NIBOR) or the Copenhagen inter-bank market (if the Reference Rate is CIBOR) or the Tokyo inter-bank market (if the Reference Rate is TIBOR) or the Istanbul inter-bank market (if the Reference Rate is TRYIBOR) or the Johannesburg inter-bank market (if the Reference Rate is JIBAR) or the Sydney inter-bank market (if the Reference Rate is BBSW) or by major banks in Toronto (if the Reference Rate is CAD-BA-CDOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Principal Paying Agent or the Calculation Agent, as the case may be, 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 (rounded as provided above) 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, at approximately the Relevant Time in the Relevant Financial Centre on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Principal Paying Agent or the Calculation Agent, as the case may be, it is quoting to leading banks in the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) or the Stockholm inter-bank market (if the Reference Rate is STIBOR) or the Oslo inter-bank market (if the Reference Rate is NIBOR) or the Copenhagen inter-bank market (if the Reference Rate is CIBOR) or the Tokyo inter-bank market (if the Reference Rate is TIBOR) or the Istanbul inter-bank market (if the Reference Rate is TRYIBOR) or the Sydney inter-bank market (if the Reference Rate is BBSW) or the Johannesburg inter-bank market (if the Reference Rate is JIBAR) or to major banks in Toronto (if the Reference Rate is CAD-BA-CDOR) plus or minus (as appropriate) the Margin (if any), 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 is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

In the case of Exempt Notes which are also Floating Rate Notes where the applicable Pricing Supplement specifies that Screen Rate Determination applies to the calculation of interest, if the Reference Rate from time to time is specified in the applicable Pricing Supplement as being other than EURIBOR, STIBOR, NIBOR, CIBOR, TIBOR,

TRYIBOR, JIBAR, CAD-BA-CDOR or BBSW, the Rate of Interest in respect of such Exempt Notes will be determined as provided in the applicable Pricing Supplement.

*(C) Screen Rate Determination for Floating Rate Notes referencing Compounded SONIA*

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the relevant Series of Floating Rate Notes is specified as being "Compounded SONIA", the Rate of Interest for an Interest Accrual Period will, subject as provided below, either be Compounded Daily SONIA or SONIA Compounded Index (as specified in the applicable Final Terms) with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin.

"Compounded SONIA" will be determined based either on Compounded Daily SONIA or SONIA Compounded Index (as specified in the applicable Final Terms) as follows:

(1) "*Compounded Daily SONIA*" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{i-pLBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"*d*" is the number of calendar days in:

i. where "SONIA Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period; or

ii. where "SONIA Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period;

"$d_o$" means:

i. where "SONIA Lag" is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant Interest Accrual Period; or

ii. where "SONIA Observation Shift" is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days in the relevant Observation Period;

"*i*" is a series of whole numbers from one to $d_o$, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

i. where "SONIA Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Accrual Period to, but excluding, the last London Banking Day in the relevant Interest Accrual Period; or

ii. where "SONIA Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Period to, but excluding, the last London Banking Day in the relevant Observation Period;

"*London Banking Day*" or "*LBD*" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"$n_i$" for any London Banking Day "i", means the number of calendar days from (and including) such London Banking Day "i" up to (but excluding) the following London Banking Day;

"*Observation Period*" means the period from (and including) the date falling "p" London Banking Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling "p" London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other period) the date on which the relevant payment of interest falls due;

"*p*" means:

i. where "SONIA Lag" is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days by which an Observation Period precedes the corresponding Interest Accrual Period, being the number of London Banking Days specified as the "SONIA Lag Period (p)" in the applicable Final Terms (or, if no such number is so specified, five London Banking Days); or

ii. where "SONIA Observation Shift" is specified as the Observation Method in the applicable Final Terms, the number of London Banking Days specified as the "SONIA Observation Shift Period (p)" in the applicable Final Terms (or, if no such number is so specified, five London Banking Days);

the "*SONIA reference rate*", in respect of any London Banking Day ("$LBD_x$"), is a reference rate equal to the daily Sterling Overnight Index Average ("*SONIA*") rate

for such $LBD_x$ as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the London Banking Day immediately following $LBD_x$; and

"$SONIA_{i\text{-}pLBD}$" means the SONIA reference rate for:

i. where "SONIA Lag" is specified as the Observation Method in the applicable Final Terms, the London Banking Day (being a London Banking Day falling in the relevant Observation Period) falling "p" London Banking Days prior to the relevant London Banking Day "i"; or

ii. where "SONIA Observation Shift" is specified as the Observation Method in the applicable Final Terms, the relevant London Banking Day "i".

If, in respect of any London Banking Day in the relevant Observation Period, the applicable SONIA reference rate is not made available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, then (unless the Calculation Agent (or other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) has been notified of any Successor Rate or Alternative Rate (and any related Adjustment Spread and/or Benchmark Amendments) pursuant to Condition 4(d), if applicable) the SONIA reference rate in respect of such London Banking Day shall be: (i) the Bank of England's Bank Rate (the "*Bank Rate*") prevailing at 5.00 p.m. (or, if earlier, close of business) on such London Banking Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads).

(2) "*SONIA Compounded Index*" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) as calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left(\frac{SONIA\ Compounded\ Index_{END}}{SONIA\ Compounded\ Index_{START}} - 1\right) \times \left(\frac{365}{d}\right)$$

Subject to Condition 4(d), if the SONIA Compounded Index Value is not available in relation to any Interest Accrual Period on the Relevant Screen Page for the

determination of either or both of SONIA Compounded $\text{Index}_{\text{START}}$ and SONIA Compounded $\text{Index}_{\text{END}}$, the Rate of Interest shall be calculated for such Interest Accrual Period as set out in Condition 4(c)(ii)(C)(1) as if Compounded Daily SONIA had been specified in the applicable Final Terms and for these purposes: (A) (i) the "Observation Method" shall be deemed to be "SONIA Observation Shift" and (ii) the "SONIA Observation Shift Period (p)" shall be deemed to be equal to the number of London Banking Days equal to the "SONIA Compounded Index Observation Shift Period (p)", as if those alternative elections had been made in the applicable Final Terms and (B) the "Relevant Screen Page" shall be deemed to be to the "Relevant Fallback Screen Page",

where:

"*d*" means the number of calendar days in the relevant Observation Period;

"*Observation Period*" means the period from (and including) the date falling "p" London Banking Days prior to the first day of such Interest Accrual Period and ending on (but excluding) the date which is "p" London Banking Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) (in the case of any other period) the date on which the relevant payment of interest falls due;

"*p*" means the number of London Banking Days specified as the "SONIA Compounded Index Observation Shift Period (p)" in the applicable Final Terms (or, if no such number is so specified, five London Banking Days);

"*SONIA Compounded Index*" means the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof);

"*SONIA Compounded* $\text{Index}_{START}$" means the SONIA Compounded Index Value on the date which is "p" London Banking Days preceding the first day of the relevant Interest Accrual Period (or in the case of the first Interest Accrual Period, the Issue Date);

"*SONIA Compounded* $\text{Index}_{END}$" means the SONIA Compounded Index Value on the date which is "p" London Banking Days preceding (i) the Interest Payment Date for the relevant Interest Accrual Period or (ii) the date on which the relevant payment of interest falls due; and

"*SONIA Compounded Index Value*" means, in relation to any London Banking Day, the value of the SONIA Compounded Index as published by authorised redistributors on the Relevant Screen Page on such London Banking Day or, if the value of the SONIA Compounded Index cannot be obtained from such authorised redistributors, as published on the Bank of England's Website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) on such London Banking Day.

(3) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, the Rate of Interest shall be:

(i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/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, Maximum Rate of Interest and/or Minimum Rate of Interest (as the case may be) relating to the relevant Interest Accrual Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest (as applicable) relating to that last preceding Interest Accrual Period); or

(ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first scheduled Interest Accrual Period had the Notes been in issue for a period equal in duration to the first scheduled Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (applying the Margin and, if applicable, any Maximum Rate of Interest and/or Minimum Rate of Interest, applicable to the first scheduled Interest Accrual Period).

(4) If the relevant Series of Notes becomes due and payable in accordance with Condition 9(a), the final Rate of Interest shall be calculated for the Interest Accrual Period to (but excluding) the date on which the Notes become so due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in Condition 4(g).

(5) As used herein, an "*Interest Accrual Period*" means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Notes becomes due and payable in accordance with Condition 9(a), shall be the date on which such Notes become due and payable).

*(D) Screen Rate Determination for Floating Rate Notes referencing SOFR Benchmark*

(1) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate in respect of the relevant Series of Floating Rate Notes is specified as being "*SOFR Benchmark*", the Rate of Interest for an Interest Accrual Period will, subject as provided below, be SOFR Benchmark with respect to such Interest Accrual Period plus or minus (as indicated in the applicable Final Terms) the applicable Margin.

The "*SOFR Benchmark*" will be determined based on SOFR Arithmetic Mean, SOFR Compound or SOFR Index Average as follows:

(i) If SOFR Arithmetic Mean ("*SOFR Arithmetic Mean*") is specified as applicable in the applicable Final Terms, the SOFR Benchmark for each Interest Accrual Period shall be the arithmetic mean of the SOFR rates for each day during the period, as calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the Interest Determination Date, where, if applicable (as specified in the applicable Final Terms), the SOFR rate on the SOFR Rate Cut-Off Date shall be used for the days in the period

from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Interest Payment Date (or other payment date).

(ii) If SOFR Compound ("*SOFR Compound*") is specified as applicable in the applicable Final Terms, the SOFR Benchmark for each Interest Accrual Period shall be equal to the value of the SOFR rates for each day during the relevant Interest Accrual Period (where SOFR Compound with Lookback or SOFR Compound with Payment Delay is specified in the applicable Final Terms to determine SOFR Compound) or SOFR Observation Period (where SOFR Compound with SOFR Observation Shift is specified in the applicable Final Terms to determine SOFR Compound), each as calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the Interest Determination Date or (if SOFR Compound with Payment Delay is specified in the applicable Final Terms) on the Interest Payment Determination Date.

SOFR Compound shall be calculated in accordance with one of the formulas referenced below depending upon which is specified as applicable in the applicable Final Terms:

a. SOFR Compound with Lookback:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SOFR_{i-xUSBD}\times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

with the resulting percentage being rounded if necessary to the nearest one hundred thousandth of a percentage point, with 0.000005 being rounded upwards,

where:

"*d*" means the number of calendar days in the relevant Interest Accrual Period;

"$d_o$" for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

"*i*" means a series of whole numbers from one to $d_o$, each representing the relevant U.S. Government Securities Business Day in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period;

"*Lookback Days*" means the number of U.S. Government Securities Business Days specified in the applicable Final Terms;

"$n_i$" for any U.S. Government Securities Business Day "i" in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day

"*i*" up to (but excluding) the following U.S. Government Securities Business Day ("i+1"); and

"$SOFR_{i\text{-}xUSBD}$" for any U.S. Government Securities Business Day "i" in the relevant Interest Accrual Period, is equal to the SOFR in respect of the U.S. Government Securities Business Day falling a number of U.S. Government Securities Business Days prior to that day "i" equal to the number of Lookback Days.

b. SOFR Compound with SOFR Observation Shift:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

with the resulting percentage being rounded if necessary to the nearest one hundred thousandth of a percentage point, with 0.000005 being rounded upwards,

where:

"*d*" means the number of calendar days in the relevant SOFR Observation Period;

"$d_o$" for any SOFR Observation Period, means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

"*i*" means a series of whole numbers from one to $d_o$, each representing the relevant U.S. Government Securities Business Day in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period;

"$n_i$" for any U.S. Government Securities Business Day "i" in the relevant SOFR Observation Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day ("i+1");

"*SOFR Observation Period*" means, in respect of each Interest Accrual Period, the period from (and including) the date falling a number of U.S. Government Securities Business Days equal to the SOFR Observation Shift Days preceding the first date in such Interest Accrual Period to (but excluding) the date falling a number of U.S. Government Securities Business Days equal to the number of SOFR Observation Shift Days preceding the Interest Payment Date (or other payment date) for such Interest Accrual Period;

"*SOFR Observation Shift Days*" means the number of U.S. Government Securities Business Days specified in the applicable Final Terms; and

"*SOFRi*" for any U.S. Government Securities Business Day "i" in the relevant SOFR Observation Period, is equal to SOFR in respect of that day "i".

c. SOFR Compound with Payment Delay:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

with the resulting percentage being rounded if necessary to the nearest one hundred thousandth of a percentage point, with 0.000005 being rounded upwards,

where:

"*d*" means the number of calendar days in the relevant Interest Accrual Period;

"$d_o$" for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

"*i*" means a series of whole numbers from one to $d_o$, each representing the relevant U.S. Government Securities Business Day in chronological order from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period;

"*Interest Payment Dates*" shall be the number of Business Days equal to the Interest Payment Delay following each Interest Payment Date; provided that the Interest Payment Date with respect to the final Interest Accrual Period will be the Maturity Date or, if the Issuer elects to redeem the Notes prior to the Maturity Date, the redemption date;

"*Interest Payment Delay*" means the number of U.S. Government Securities Business Days specified in the applicable Final Terms;

"*Interest Payment Determination Dates*" means the Interest Payment Date at the end of each Interest Accrual Period; provided that the Interest Payment Determination Date with respect to the final Interest Accrual Period will be the SOFR Rate Cut-Off Date;

"$n_i$" for any U.S. Government Securities Business Day "i" in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day ("i+1"); and

"*SOFRi*" for any U.S. Government Securities Business Day "i" in the relevant Interest Accrual Period, is equal to SOFR in respect of that day "i".

For the purposes of calculating SOFR Compound with respect to the final Interest Accrual Period, the level of SOFR for each U.S. Government Securities Business Day in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Maturity Date or the redemption date, as applicable, shall be the level of SOFR in respect of such SOFR Rate Cut-Off Date.

(iii) If SOFR Index Average ("*SOFR Index Average*") is specified as applicable in the applicable Final Terms, the SOFR Benchmark for each Interest Accrual Period shall be equal to the value of the SOFR rates for each day during the relevant Interest Accrual Period as calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the Interest Determination Date as follows:

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \left(\frac{360}{d_c}\right)$$

with the resulting percentage being rounded if necessary to the nearest one hundred thousandth of a percentage point, with 0.000005 being rounded upwards,

where:

"$d_c$" means the number of calendar days from (and including) the SOFR $\text{Index}_{\text{Start}}$ to (but excluding) the SOFR $\text{Index}_{\text{End}}$;

"*SOFR Index*" means the SOFR Index in relation to any U.S. Government Securities Business Day as published by the NY Federal Reserve, as the administrator of the daily Secured Overnight Financing Rate (or any successor administrator of such rate), at the SOFR Determination Time and appearing on the SOFR Page;

"$SOFR\ Index_{End}$" means the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified in the applicable Final Terms preceding the Interest Payment Date (or other payment date) relating to such Interest Accrual Period (or in the final Interest Accrual Period, the Maturity Date);

"$SOFR\ Index_{Start}$" means the SOFR Index value on the date that is the number of U.S. Government Securities Business Days specified in the applicable Final Terms preceding the first date of the relevant Interest Accrual Period (a "*SOFR Index Determination Date*"); and

"*SOFR Page*" means the NY Federal Reserve's website currently at https://apps.newyorkfed.org/markets/autorates/sofr-avg-ind (or any successor or replacement page on the website of the NY Federal Reserve or successor administrator for the purposes of publishing the SOFR Index).

Subject to Condition 4(e), if the SOFR Index is not published on any relevant SOFR Index Determination Date and a SOFR Benchmark Transition Event and related SOFR Benchmark Replacement Date have not

occurred, the "SOFR Index Average" shall be calculated on any Interest Determination Date with respect to an Interest Accrual Period in accordance with the SOFR Compound formula described above in "b. SOFR Compound with SOFR Observation Shift" and the term "*SOFR Observation Shift Days*" shall mean two U.S. Government Securities Business Days. If a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 4(e) shall apply.

(2) In connection with the SOFR provisions above, the following definitions apply:

"*Bloomberg Screen SOFRRATE Page*" means the Bloomberg screen designated "SOFRRATE" or any successor page or service;

"*Interest Accrual Period*" means (i) each Interest Period and (ii) any other period (if any) in respect of which interest is to be calculated, being the period from (and including) the first day of such period to (but excluding) the day on which the relevant payment of interest falls due (which, if the relevant Series of Notes becomes due and payable in accordance with Condition 9(a), shall be the date on which such Notes become due and payable).

"*NY Federal Reserve*" means the Federal Reserve Bank of New York;

"*NY Federal Reserve's Website*" means the website of the NY Federal Reserve, currently at www.newyorkfed.org, or any successor website of the NY Federal Reserve or the website of any successor administrator of SOFR;

"*Reuters Page USDSOFR=*" means the Reuters page designated "USDSOFR=" or any successor page or service;

"*SOFR*" means, with respect to any U.S. Government Securities Business Day, the rate determined by the Calculation Agent in accordance with the following provision:

i. the Secured Overnight Financing Rate published at the SOFR Determination Time, as such rate is reported on the Bloomberg Screen SOFRRATE Page, then the Secured Overnight Financing Rate published at the SOFR Determination Time, as such rate is reported on the Reuters Page USDSOFR=, then the Secured Overnight Financing Rate that appears at the SOFR Determination Time on the NY Federal Reserve's Website; or

ii. if the rate specified in i. above does not appear, the Secured Overnight Financing Rate published on the NY Federal Reserve's Website for the first preceding U.S. Government Securities Business Day for which Secured Overnight Financing Rate was published on the NY Federal Reserve's Website;

"*SOFR Determination Time*" means approximately 3:00 p.m. (New York City time) on the NY Federal Reserve's Website on the immediately following U.S. Government Securities Business Day;

"*SOFR Benchmark Replacement Date*" means the date of occurrence of a Benchmark Event (as defined in Condition 4(e)) with respect to the then-current SOFR Benchmark;

"*SOFR Benchmark Transition Event*" means the occurrence of a Benchmark Event with respect to the then-current SOFR Benchmark;

"*SOFR Rate Cut-Off Date*" means the date that is a number of U.S. Government Securities Business Days prior to the end of each Interest Accrual Period, the Maturity Date or the redemption date, as applicable, as specified in the applicable Final Terms; and

"*U.S. Government Securities Business Day*" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (SIFMA) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(iii) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Final Terms specify a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specify a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) *Determination of Rate of Interest and calculation of Interest Amounts*

The Principal Paying Agent, in the case of Floating Rate Notes other than Floating Rate Notes which are VPS Notes, and the Calculation Agent, in the case of Floating Rate Notes which are VPS Notes, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Floating Rate Notes which are VPS Notes, the Calculation Agent will notify the VPS Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Principal Paying Agent, in the case of Floating Rate Notes other than Floating Rate Notes which are VPS Notes, or the Calculation Agent, in the case of Floating Rate Notes which are VPS Notes, the Calculation Agent will calculate the amount of interest (the *"Interest Amount"*) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

*(A)* in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

*(B)* in the case of Floating Rate Notes in definitive form, the Calculation Amount; or

*(C)* in the case of Floating Rate Notes which are VPS Notes, the aggregate outstanding nominal amount of the VPS Notes,

and, in each case, 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. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

*"Day Count Fraction"* means, in respect of the calculation of an amount of interest for any Interest Period:

(i) if *"Actual/Actual"* or *"Actual/Actual – ISDA"* is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(ii) if *"Actual/365 (Fixed)"* is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(iii) if *"Actual/365 (Sterling)"* is specified in the applicable Final Terms, the actual number of days in the Interest 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 in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(v) if *"30/360"*, *"360/360"* or *"Bond Basis"* is specified in the applicable Final Terms, the number of days in the Interest 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:

*"$Y_1$"* is the year, expressed as a number, in which the first day of the Interest Period falls;

*"$Y_2$"* is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

*"$M_1$"* is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

*"$M_2$"* is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

*"$D_1$"* is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case $D_1$ will be 30; and

*"$D_2$"* is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and $D_1$ is greater than 29, in which case $D_2$ will be 30;

(vi) if *"30E/360"* or *"Eurobond Basis"* is specified in the applicable Final Terms, the number of days in the Interest 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:

*"$Y_1$"* is the year, expressed as a number, in which the first day of the Interest Period falls;

*"$Y_2$"* is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

*"$M_1$"* is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

*"$M_2$"* is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

*"$D_1$"* is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case $D_1$ will be 30; and

*"$D_2$"* is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case $D_2$ will be 30;

(vii) if *"30E/360 (ISDA)"* is specified in the applicable Final Terms, the number of days in the Interest 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:

*"$Y_1$"* is the year, expressed as a number, in which the first day of the Interest Period falls;

*"$Y_2$"* is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

*"$M_1$"* is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

*"$M_2$"* is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

*"$D_1$"* is the first calendar day, expressed as a number, of the Interest Period, unless (A) that day is the last day of February or (B) such number would be 31, in which case $D_1$ will be 30; and

*"$D_2$"* is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (A) that day is the last day of February but not the Maturity Date or (B) such number would be 31, in which case $D_2$ will be 30.

(v) *Notification of Rate of Interest and Interest Amounts*

The Principal Paying Agent or, in the case of VPS Notes, the Calculation Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest

Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and, in the case of VPS Notes, the VPS, the VPS Trustee and the VPS Agent (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 13. For the purposes of this paragraph (v), the expression *"London Business Day"* means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London. The notification of any rate or amount, if applicable, shall be made to the VPS in accordance with and subject to the rules and regulations of the VPS for the time being in effect.

(vi) *Linear Interpolation*

Where Linear Interpolation is specified as being applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Principal Paying Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), 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 rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Issuer (acting in good faith and in a commercially reasonable manner, and in consultation with an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer) shall determine such rate at such time and by reference to such sources as it determines appropriate.

*"Designated Maturity"* means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(vii) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(c), whether by the Principal Paying Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Principal Paying Agent, the Calculation Agent (if applicable), the other Paying Agents, the VPS Agent, the VPS Trustee and all Noteholders and Couponholders and (in the absence of negligence or wilful default) no liability to the Issuer, the Noteholders or the Couponholders shall attach to the Principal Paying Agent or the Calculation Agent (if applicable), the VPS Agent or the VPS Trustee, as the case may be, in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

*(d) Benchmark Discontinuation (General)*

Notwithstanding the provisions above in Conditions 4(b) and 4(c), if (i) a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate and (ii) "Benchmark Discontinuation (General)" is specified to be applicable in the applicable Final Terms, then the following provisions of this Condition 4(d) shall apply.

(i) *Independent Adviser*

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 (in accordance with Condition 4(d)(ii) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 4(d)(iv))).

In making such determination, an Independent Adviser appointed pursuant to this Condition 4(d) shall act in good faith. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Agents, the Noteholders or the Couponholders for any determination made by it, pursuant to this Condition 4(d).

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 4(d)(i) prior to the relevant Interest Determination Date or Reset Determination Date, as the case may be, the Rate of Interest applicable to the next succeeding Interest Period or Reset Period, as the case may be, shall be determined using the Original Reference Rate last displayed on the Relevant Screen Page or CMT Rate Screen Page (as applicable) prior to the relevant Interest Determination Date or Reset Determination Date. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period or Reset Period, as the case may be, from that which applied to the last preceding Interest Period or Reset Period, as the case may be, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period or Reset Period, as the case may be, shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period or Reset Period, as the case may be. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period or Reset Period, as the case may be, only and any subsequent Interest Periods or Reset Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(d)(i).

(ii) *Successor Rate or Alternative Rate*

If the Independent Adviser, determines that:

(a) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(d)); or

(b) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(d)).

(iii) *Adjustment Spread*

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(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 4(d) and the Independent Adviser, determines (i) that amendments to these Conditions 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 (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(d)(v), without any requirement for the consent or approval of Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 4(d)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 4(d), no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the relevant Series of Subordinated Notes as Tier 2 Capital or the relevant Series of Senior Preferred Notes or relevant Series of Senior Non-Preferred Notes as MREL Eligible Liabilities.

In the case of Senior Preferred Notes or Senior Non-Preferred Notes only, no Successor Rate or Alternative Rate (as applicable) will be adopted, and no other amendments to the terms of such Notes will be made pursuant to this Condition 4(d), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in the Relevant Regulator treating any Interest Payment Date or Reset Date, as the case may be, as the effective maturity of the Notes, rather than the relevant Maturity Date.

(v) *Notices*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(d) will be notified promptly by the Issuer to the Calculation Agent, the Paying Agents and, in accordance with Condition 13, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under Condition 4(d)(i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Conditions 4(b) and 4(c) will continue to apply unless and until a Benchmark Event has occurred.

(vii) *Definitions*

As used in this Condition 4(d):

"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 each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(a) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);

(b) the Independent Adviser determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if Independent Adviser determines that no such spread is customarily applied); or

(c) the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

"*Alternative Rate*" means an alternative benchmark or screen rate which the Independent Adviser, determines in accordance with Condition 4(d)(ii) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

"*Benchmark Amendments*" has the meaning given to it in Condition 4(d)(iv).

"*Benchmark Event*" means:

(1) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or

(2) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will 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); or

(3) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or

(4) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or

(5) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that, with effect from a date after 31 December 2021, the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or

(6) it has become unlawful for any Paying Agent, any Calculation Agent, the Issuer or any other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (2) and (3) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (4) above, on the date of the prohibition of use of the Original Reference Rate, and (c) in the case of sub-paragraph (5) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be promptly notified by the Issuer to the Principal Paying Agent, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Principal Paying Agent, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

"*Independent Adviser*" means an independent financial institution of international repute or an independent financial adviser with appropriate experience in the international debt capital markets appointed by the Issuer under Condition 4(d)(i).

"*Original Reference Rate*" means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

"*Relevant Nominating Body*" means, in respect of a benchmark or screen rate (as applicable):

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); 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 benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

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

*(e) Benchmark Discontinuation (SOFR)*

Notwithstanding the provisions above in Condition 4(c)(ii)(D), if (i) a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate and (ii) "Benchmark Discontinuation (SOFR)" is specified to be applicable in the applicable Final Terms, then the following provisions of this Condition 4(e) shall apply.

(i) *Independent Adviser*

The Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine the SOFR Benchmark Replacement (in accordance with Condition 4(e)(ii)) and any Benchmark Amendments (in accordance with Condition 4(e)(iii))).

In making such determination, an Independent Adviser appointed pursuant to this Condition 4(e) shall act in good faith. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Agents, the Noteholders or the Couponholders for any determination made by it, pursuant to this Condition 4(e).

If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine the SOFR Benchmark Replacement in accordance with this Condition 4(e)(i) prior to the relevant Interest Determination Date or Interest Payment Determination Date (as the case may be), the Rate of Interest applicable to the next succeeding Interest Period shall be determined using the SOFR Benchmark last available prior to the relevant Interest Determination Date or Interest Payment Determination Date (as the case may be). Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period, from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(e)(i).

(ii) *SOFR Benchmark Replacement*

If the Independent Adviser determines that there is a SOFR Benchmark Replacement, then such SOFR Benchmark Replacement shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(e)).

(iii) *Benchmark Amendments*

If any SOFR Benchmark Replacement is determined in accordance with this Condition 4(e) and the Independent Adviser, determines (i) that amendments to these Conditions are necessary to ensure the proper operation of such SOFR Benchmark Replacement (such amendments, the "*Benchmark Amendments*") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(e)(iv), without any requirement for the consent or approval of Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 4(e)(iii), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 4(e), no SOFR Benchmark Replacement will be adopted, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the relevant Series of Subordinated Notes as Tier 2 Capital or the relevant Series of Senior Preferred Notes or relevant Series of Senior Non-Preferred Notes as MREL Eligible Liabilities.

In the case of Senior Preferred Notes or Senior Non-Preferred Notes only, no SOFR Benchmark Replacement will be adopted, and no other amendments to the terms of such Notes will be made pursuant to this Condition 4(e), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in the Relevant Regulator treating any Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date.

(iv) *Notices*

Any SOFR Benchmark Replacement and the specific terms of any Benchmark Amendments determined under this Condition 4(e) will be notified promptly by the Issuer to the Calculation Agent, the Paying Agents and, in accordance with Condition 13, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(v) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under Condition 4(e)(i), (ii) and (iii), the Original Reference Rate and the fallback provisions provided for in Condition 4(c)(ii)(D) will continue to apply unless and until a Benchmark Event has occurred.

(vi) *Definitions*

As used in this Condition 4(e):

"*Benchmark Amendments*" has the meaning given to it in Condition 4(e)(iii).

"*Benchmark Event*" means:

(1) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or

(2) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will 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); or

(3) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or

(4) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes; or

(5) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that, with effect from a date after 31 December 2021, the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or

(6) it has become unlawful for any Paying Agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (2) and (3) above, on the date of the cessation of publication of the Original Reference Rate or

the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (4) above, on the date of the prohibition of use of the Original Reference Rate, and (c) in the case of sub-paragraph (5) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be promptly notified by the Issuer to the Principal Paying Agent, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Principal Paying Agent, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

"*Corresponding Tenor*" with respect to a SOFR Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current SOFR Benchmark.

"*Independent Adviser*" means an independent financial institution of international repute or an independent financial adviser with appropriate experience in the international debt capital markets appointed by the Issuer under Condition 4(e)(i).

"*ISDA*" means the International Swaps and Derivatives Association, Inc.

"*ISDA Definitions*" means the 2006 ISDA Definitions published by ISDA or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"*ISDA Fallback Rate*" means the rate to be effective upon the occurrence of a SOFR Index Cessation Event according to (and as defined in) the ISDA Definitions, where such rate may have been adjusted for an overnight tenor, but without giving effect to any additional spread adjustment to be applied according to such ISDA Definitions.

"*ISDA Spread Adjustment*" means the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that shall have been selected by ISDA as the spread adjustment that would apply to the ISDA Fallback Rate.

"*Original Reference Rate"* means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

"*Relevant Governmental Body*" means the Board of Governors of the Federal Reserve System and/or the NY Federal Reserve or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the NY Federal Reserve, or any successor.

"*SOFR Benchmark"* has the meaning given to that term in Condition 4(c)(ii)(D).

"*SOFR Benchmark Replacement*" means the first alternative set forth in the order below that can be determined by the Independent Adviser:

(1) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current SOFR Benchmark for the applicable Corresponding Tenor and (b) the SOFR Benchmark Replacement Adjustment;

(2) the sum of: (a) the ISDA Fallback Rate and (b) the SOFR Benchmark Replacement Adjustment; or

(3) the sum of: (a) the alternate rate that has been selected by the Independent Adviser as the replacement for the then-current SOFR Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate as a replacement for the then-current SOFR Benchmark for U.S. dollar-denominated floating rate notes at such time and (b) the SOFR Benchmark Replacement Adjustment.

"*SOFR Benchmark Replacement Adjustment*" means the first alternative set forth in the order below that can be determined by the Independent Adviser:

(1) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted SOFR Benchmark Replacement;

(2) if the applicable Unadjusted SOFR Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Spread Adjustment;

(3) the spread adjustment (which may be a positive or negative value or zero) determined by the Independent Adviser giving due consideration to any industry accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current SOFR Benchmark with the applicable Unadjusted SOFR Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time.

"*Unadjusted SOFR Benchmark Replacement*" means the SOFR Benchmark Replacement excluding the applicable SOFR Benchmark Replacement Adjustment.

*(f) Exempt Notes*

The rate or amount of interest payable in respect of Exempt Notes which are not also Fixed Rate Notes, Reset Notes or Floating Rate Notes shall be determined in the manner specified in the applicable Pricing Supplement, provided that the Calculation Agent will notify the Principal Paying Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

*(g) Accrual of interest*

Each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the due date for its redemption unless either payment of principal is improperly withheld or refused or the permission of the Relevant Regulator for payment of principal (if required) has not been given or, having been given, has been withdrawn and not replaced and such payment is not made. In such event, interest will continue to accrue until whichever is the earlier of:

(1) the date on which all amounts due in respect of such Note have been paid; and

(2) the date on which the full amount of the moneys payable has been received by the Principal Paying Agent or the VPS Agent, as the case may be, and notice to that effect has been given in accordance with Condition 13.

*(h) VPS Notes – Calculation Agent*

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in respect of the VPS Notes and for so long as any such VPS Note is outstanding. Where more

than one Calculation Agent is appointed in respect of the VPS 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 to calculate any Interest Amount or to comply with any other requirement, the Issuer shall (with the prior approval of the VPS Trustee) appoint a leading bank or investment banking firm engaged in the inter-bank 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.

**5 PAYMENTS**

*(a) Method of payment*

Subject as provided below:

(i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee at, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively); and

(ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or at the option of the payee, by a euro cheque.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 7 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 (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement thereto) (any such withholding or deduction, a *"FATCA Withholding"*).

*(b) Presentation of definitive Bearer Notes and Coupons*

Payments of principal in respect of definitive Bearer Notes will be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as

defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Reset Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. *"Long Maturity Note"* is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding or Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

*(c) Payments in respect of Bearer Global Notes*

Payments of principal and interest (if any) in respect of Notes represented by any Bearer Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes or otherwise in the manner specified in the relevant Global Note, where applicable, against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

*(d) Payments in respect of Registered Notes*

Payments of principal will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the *"Register"*) (A) 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 (B) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the principal amount of the Notes held by a holder is less than U.S.$250,000 (or its approximate equivalent in any other Specified Currency), payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, *"Designated Account"* means the account (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and *"Designated Bank"* means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is

Australian or New Zealand dollars, shall be Sydney or Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register (A) 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 (B) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the "*Record Date*") at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post.

No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

All amounts payable to DTC or its nominee as registered holder of a Global Note in registered form in respect of Notes denominated in a Specified Currency other than U.S. dollars shall be paid by transfer by the Registrar to an account in the relevant Specified Currency of the Exchange Agent on behalf of DTC or its nominee for payment in such Specified Currency for conversion into U.S. dollars in accordance with the provisions of the Agency Agreement.

None of the Issuer and the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

*(e) General provisions applicable to payments*

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or DTC as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream, Luxembourg or DTC, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

Notwithstanding the provisions of paragraph (a) above, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

(i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars

at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;

(ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and

(iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

*(f) Payment Day*

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, *"Payment Day"* means any day which (subject to Condition 8) is:

(i) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open;

(ii) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Financial Centre (other than the TARGET2 System) specified in the applicable Final Terms (if any);

(iii) if TARGET2 System is specified as an Additional Financial Centre in the applicable Final Terms, a day on which the TARGET2 System is open;

(iv) in the case of any payment in respect of a Registered Global Note denominated in a Specified Currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Registered Global Note) has elected to receive any part of such payment in U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City; and

(v) in the case of Notes (other than VPS Notes) in definitive form only, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the relevant place of presentation.

In these Conditions, *"euro"* means 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 (the *"Treaty"*).

*(g) VPS Notes*

Payments of principal and interest in respect of VPS Notes shall be made to the holders shown in the relevant records of the VPS in accordance with and subject to the VPS Act and the rules and regulations from time to time governing the VPS.

*(h) Interpretation of principal and interest*

Any reference in these Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(i) any additional amounts which may be payable with respect to principal under Condition 7;

(ii) the Final Redemption Amount of the Notes;

(iii) the Early Redemption Amount of the Notes;

(iv) the Optional Redemption Amount(s) (if any) of the Notes;

(v) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(j)(ii)); and

(vi) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7.

**6 REDEMPTION AND PURCHASE**

*(a) Redemption at maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

*(b) Redemption for tax reasons*

(i) If, in relation to any Series of Notes:

*(A)* as a result of any actual or proposed change in, or amendment to, the laws of the Kingdom of Sweden, or the regulations of any taxing authority therein or thereof, or in or to the application of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the last Tranche of the Notes, on the occasion of the next payment due in respect of the Notes the Issuer would be required to pay additional amounts as provided or referred to in Condition 7; or

*(B)* if "Tax Event" is specified as being applicable in the applicable Final Terms, a Tax Event occurs,

the Issuer may, subject as provided in Condition 6(f), at its option at any time (in the case of Notes which are not Floating Rate Notes) or on any Interest Payment Date (in the case of Floating Rate Notes), having given not less than 15 or more than 60 days' notice to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable), redeem all the Notes, but not some only, each at (x) its Early Redemption Amount referred to in this Condition 6 (in the case of redemption pursuant to paragraph (A) above) and (y) its Early Redemption Amount (Tax Event) specified in the applicable Final Terms (in the case of redemption pursuant to paragraph (B) above (if applicable)), in each case, together with interest, if any, accrued to but excluding the date of redemption, 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 required to pay such additional amounts were a payment in respect of the Notes then due.

(ii) A *"Tax Event"* means the certification by an authorised signatory of the Issuer to the effect that, as a result of:

(a) any amendment to, clarification of, or change in, the laws or treaties (or any regulations thereunder) of the Kingdom of Sweden or any political subdivision or taxing authority thereof or therein affecting taxation;

(b) any governmental action of the Kingdom of Sweden; or

(c) any amendment to, clarification of, or change in the official position or the interpretation of such governmental action or any interpretation or pronouncement that provides for a position with respect to such governmental action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or regulatory body, irrespective of the manner in which such amendment, clarification or change is made known;

which amendment, clarification, or change is effective or such pronouncement or decision is announced on or after the Issue Date of the last Tranche of the Notes and, in case of any redemption of Subordinated Notes prior to the fifth anniversary of the Issue Date of the last Tranche of the Notes, which was not reasonably foreseeable as at the Issue Date of the last Tranche of the Notes, and, in case of any redemption of Notes other than Subordinated Notes, which was not reasonably foreseeable as at the Issue Date of the last Tranche of the Notes,

there is a material risk that:

*(A)* the Issuer is, or will be, subject to additional taxes, duties or other governmental charges with respect to the Notes; or

*(B)* the treatment of any of the Issuer's items of income or expense with respect to the Notes as reflected on the tax returns (including estimated returns) filed (or to be filed) by the Issuer will no longer be respected by a taxing authority, which subjects the Issuer to additional taxes, duties or other governmental charges.

*(c) Redemption at the Option of the Issuer*

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, subject as provided in Condition 6(f), having given:

(i) not less than 15 nor more than 60 days' notice to the Noteholders in accordance with Condition 13; and

(ii) not less than 14 days' notice (or such lesser period as may be agreed between the Issuer and the Principal Paying Agent or the Issuer and the Registrar, as the case may be) before the giving of the notice referred to in (i), to the Principal Paying Agent and, in the case of a redemption of Registered Notes, the Registrar;

(which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount equal to the Minimum Redemption Amount or a Maximum Redemption Amount. In the case of a partial redemption of Notes, the Notes to be redeemed (*"Redeemed Notes"*) will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules 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 DTC, in the case of Redeemed Notes represented by a Global Note, and in accordance with the rules of the VPS in the case of VPS Notes, in each case not more than 60 days prior to the date fixed for redemption (such date of selection being hereinafter called the "*Selection Date*"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than 30 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes or represented by a Global Note shall in each case bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding and Notes outstanding represented by such Global Note, respectively, bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that, if necessary, appropriate adjustments shall be made to such nominal amount to ensure that each represents an integral multiple of the Specified Denomination. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 13 at least five days prior to the Selection Date.

*(d) Clean-up Call Option*

If Clean-up Call Option is specified as being applicable in the Final Terms and if, at any time (other than as a direct result of a redemption of some, but not all, of the Notes at a price greater than the aggregate nominal amount of the Notes outstanding at the Issuer's option pursuant to Condition 6(c)), the aggregate nominal amount of the Notes outstanding of the relevant Series is 20 per cent. (or such other amount as may be specified as the Clean-up Call Threshold in the applicable Final Terms) or less of the aggregate nominal amount of the Notes of the relevant Series originally issued (and, for these purposes, any further Notes issued pursuant to Condition 15 and consolidated with the Notes as part of the same Series shall be deemed to have been originally issued), subject to the extent applicable to the conditions set out in this Condition 6, the Issuer may redeem all (but not some only) of the remaining outstanding Notes of the relevant Series on any date (or, if the Floating Rate Note Provisions are specified as being applicable in the Final Terms, on any Interest Payment Date) upon giving not less than 15 nor more than 60 days' notice to the Noteholders (which notice shall specify the date for redemption and shall be irrevocable), at the Optional Redemption Amount (Clean-up Call) (as specified in the applicable Final Terms) together with any accrued and unpaid interest up to (but excluding) the date of redemption.

*(e) Redemption at the Option of the Noteholders – Senior Preferred Notes*

(i) If the Notes are Senior Preferred Notes and Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of the Note giving to the Issuer not more than 60 nor less than 30 days' notice (which notice shall be irrevocable) the Issuer will, upon the expiry of such notice, redeem subject to, and in accordance with, the terms specified in the applicable Final Terms this Note on the Optional Redemption Date and at the Optional Redemption Amount specified in the applicable Final Terms together, if appropriate, with accrued interest.

(ii) If this Note is in definitive form, to exercise the right to require redemption of this Note pursuant to Condition 6 (e)(i) the holder of this Note must deliver such Note at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, accompanied by a duly completed

and signed Option Notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2.

(iii) To exercise the right to require redemption of the VPS Notes, the holder of the VPS Notes must, within the notice period, give notice to the VPS Agent of such exercise in accordance with the standard procedures of the VPS from time to time.

*(f) Redemption, Purchase, Substitution or Variation of Notes only with Prior Permission*

No redemption, purchase, substitution or variation of any Notes prior to their stated maturity may be made without the prior permission of the Relevant Regulator (if such permission 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). For the avoidance of doubt, the failure to obtain such permission shall not constitute an event of default under the Notes.

*(g) Redemption upon Capital Event – Subordinated Notes*

This Condition 6(g) is applicable in relation to Notes specified in the applicable Final Terms as Subordinated Notes and references to *"Notes"* in this Condition shall be construed accordingly.

Upon the occurrence of a Capital Event, the Issuer may, subject as provided in Condition 6(f), at its option at any time (in the case of Notes which are not Floating Rate Notes) or on any Interest Payment Date (in the case of Floating Rate Notes), having given not less than 15 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable), redeem all the Notes, but not some only, each at its Early Redemption Amount (Capital Event) specified in the applicable Final Terms together with interest, if any, accrued to but excluding the date of redemption.

A *"Capital Event"* means, in respect of a Series of Subordinated Notes, at any time, the determination by the Issuer after consultation with the Relevant Regulator that, as a result of any 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 last Tranche of the Notes (which change has occurred or which the Relevant Regulator considers to be sufficiently certain and, in the case of any redemption of the Notes prior to the fifth anniversary of the Issue Date of the last Tranche of the Notes, was not reasonably foreseeable at the time of the Issue Date of the last Tranche of the Notes), the Notes are, or would be likely to be, fully or partially excluded from inclusion in the Tier 2 Capital of the Issuer and/or the SBAB Group (save in any such case where such non-qualification is only as a result of any applicable limitation on the amount of such capital).

*(h) Redemption upon MREL Disqualification Event – Senior Preferred Notes and Senior Non-Preferred Notes*

This Condition 6(h) is applicable in relation to Notes specified in the applicable Final Terms as Senior Preferred Notes (if "MREL Disqualification Event – Senior Preferred Notes" is specified as being applicable in the applicable Final Terms) or Senior Non-Preferred Notes and references to "Notes" in this Condition shall be construed accordingly.

Upon the occurrence of an MREL Disqualification Event, the Issuer may, subject as provided in Condition 6(f), at its option at any time (in the case of Notes which are not Floating Rate Notes) or on any Interest Payment Date (in the case of Floating Rate Notes), having given not less than 15 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (which notice shall be irrevocable), redeem all the Notes, but not some only, each at its Early Redemption Amount (MREL Disqualification Event) specified in the applicable Final Terms together with interest, if any, accrued to but excluding the date of redemption.

An "MREL Disqualification Event" means, in respect of a Series of Senior Preferred Notes (if "MREL Disqualification Event – Senior Preferred Notes" is specified as being applicable in the applicable Final Terms) or a Series of Senior Non-Preferred Notes (and references to "Notes" shall be construed accordingly), at any time, the determination by the Issuer that, as a result of a change in any Applicable MREL Regulations becoming effective on or after the Issue Date of the last Tranche of the Notes which was not reasonably foreseeable as at the Issue Date of the last Tranche of the Notes, it is likely that the Notes will be fully excluded or partially excluded from the MREL Eligible Liabilities of the Issuer and/or the SBAB Group, provided that an MREL Disqualification Event shall not occur where such exclusion is or will be caused by (1) the remaining maturity of such Notes being less than any period prescribed by any applicable eligibility criteria under the Applicable MREL Regulations, or (2) 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.

*(i) Variation or Substitution instead of Redemption – Senior Preferred Notes, Senior Non-Preferred Notes and Subordinated Notes*

This Condition 6(i) is applicable in relation to Notes where it is specified as being applicable in the applicable Final Terms and references to "Notes" in this Condition shall be construed accordingly.

If at any time (in the case of Senior Preferred Notes (if "MREL Disqualification Event – Senior Preferred Notes" is specified as being applicable in the applicable Final Terms) or Senior Non-Preferred Notes) an MREL Disqualification Event occurs or (in the case of Subordinated Notes) a Capital Event occurs or if at any time (in the case of any Notes) if Tax Event is specified as being applicable in the applicable Final Terms a Tax Event occurs or if the Issuer is required to pay additional amounts in accordance with Condition 6(b)(i)(A) or in order to ensure the effectiveness and enforceability of Condition 18, then the Issuer may, subject to Condition 6(f), (without any requirement for the consent or approval of the Noteholders) and having given not less than 15 nor more than 60 days' notice to the Noteholders in accordance with Condition 13 (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, in the case of Senior Preferred Notes, Senior Preferred Qualifying Securities, in the case of Senior Non-Preferred Notes, Senior Non-Preferred Qualifying Securities or, in the case of Subordinated Notes, Subordinated Qualifying Securities provided that such variation or substitution does not itself give rise to any right of the Issuer to redeem the substituted or varied securities that are inconsistent with the redemption provisions of the Notes.

"*Senior Preferred Qualifying Securities*" means, for the purpose of this Condition 6(i), securities issued directly or indirectly by the Issuer that:

(i) (other than in respect of the effectiveness and enforceability of Condition 18) have terms not materially less favourable to an investor in the relevant Senior Preferred Notes than the terms of the Senior Preferred Notes, as certified by the Issuer acting reasonably following consultation with an independent investment bank or financial adviser of international standing;

(ii) include a ranking at least equal to that of the Senior Preferred Notes;

(iii) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Senior Preferred Notes;

(iv) have the same redemption rights as the Senior Preferred Notes (although they need not contain all of the rights of the Issuer under Conditions 6(b)(i) and 6(h));

(v) comply with the then current requirements in relation to MREL Eligible Liabilities;

(vi) preserve any existing rights under the Senior Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation (or, if the date of substitution or variation falls before the first Interest Payment Date, the Issue Date);

(vii) are assigned (or maintain) the same or higher solicited credit ratings than (i) the solicited credit ratings of the Senior Preferred Notes immediately prior to their substitution or variation or (ii) where a solicited credit rating of the Senior Preferred Notes was, as a result of Condition 18 becoming ineffective and/or unenforceable, amended prior to such substitution or variation, the solicited credit rating of the relevant Senior Preferred Notes immediately prior to such amendment; and

(viii) are listed on a recognised stock exchange if the Senior Preferred Notes were listed immediately prior to such variation or substitution.

"*Senior Non-Preferred Qualifying Securities*" means, for the purpose of this Condition 6(i), securities issued directly or indirectly by the Issuer that:

(i) (other than in respect of the effectiveness and enforceability of Condition 18) have terms not materially less favourable to an investor in the relevant Senior Non-Preferred Notes than the terms of the Senior Non-Preferred Notes, as certified by the Issuer acting reasonably following consultation with an independent investment bank or financial adviser of international standing;

(ii) include a ranking at least equal to that of the Senior Non-Preferred Notes;

(iii) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Senior Non-Preferred Notes;

(iv) have the same redemption rights as the Senior Non-Preferred Notes (although they need not contain all of the rights of the Issuer under Conditions 6(b)(i) and 6(h));

(v) comply with the then current requirements in relation to MREL Eligible Liabilities;

(vi) preserve any existing rights under the Senior Non-Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation (or, if the date of substitution or variation falls before the first Interest Payment Date, the Issue Date);

(vii) are assigned (or maintain) the same or higher solicited credit ratings than (i) the solicited credit ratings of the Senior Non-Preferred Notes immediately prior to their substitution or variation or (ii) where a solicited credit rating of the Senior Non-Preferred Notes was, as a result of Condition 18 becoming ineffective and/or unenforceable, amended prior to such substitution or variation, the solicited credit rating of the relevant Senior Non-Preferred Notes immediately prior to such amendment; and

(viii) are listed on a recognised stock exchange if the Senior Non-Preferred Notes were listed immediately prior to such variation or substitution.

"*Subordinated Qualifying Securities*" means, for the purpose of this Condition 6(i), securities issued directly or indirectly by the Issuer that:

(i) (other than in respect of the effectiveness and enforceability of Condition 18) have terms not materially less favourable to an investor in the relevant Subordinated Notes than the terms of the Subordinated Notes, as certified by the Issuer acting reasonably following consultation with an independent investment bank or financial adviser of international standing;

(ii) include a ranking at least equal to that of the Subordinated Notes;

(iii) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Subordinated Notes;

(iv) have the same redemption rights as the Notes (although they need not contain all of the rights of the Issuer under Conditions 6(b)(i) and 6(g));

(v) comply with the then current requirements of the Applicable Banking Regulations in relation to Tier 2 Capital;

(vi) preserve any existing rights under the Subordinated Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation (or, if the date of substitution or variation falls before the first Interest Payment Date, the Issue Date);

(vii) are assigned (or maintain) the same or higher solicited credit ratings than (i) the solicited credit ratings of the Subordinated Notes immediately prior to their substitution or variation or (ii) where a solicited credit rating of the Subordinated Notes was, as a result of Condition 18 becoming ineffective and/or unenforceable, amended prior to such substitution or variation, the relevant solicited credit rating of the Subordinated Notes immediately prior to such amendment; and

(viii) are listed on a recognised stock exchange if the Subordinated Notes were listed immediately prior to such variation or substitution.

*(j) Early Redemption Amounts*

For the purposes of Condition 6(b) and Condition 9(a), each Note will be redeemed at an amount (the "*Early Redemption Amount*") calculated as follows:

(i) in the case of a Note other than a Zero Coupon Note, at the amount specified in the applicable Final Terms as the Early Redemption Amount or, if no such amount is set out in the applicable Final Terms, at its nominal amount; or

(ii) in the case of a Zero Coupon Note, at an amount (the "*Amortised Face Amount*") calculated in accordance with the following formula:

Early Redemption Amount = RP x $(1 + AY)^y$

where:

"*RP*" means the Reference Price;

"*AY*" means the Accrual Yield expressed as a decimal; and

*"y"* is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360 day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

*(k) Purchases*

The Issuer may purchase Notes (provided that, in the case of definitive Bearer Notes, all unmatured, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise subject to (i) (in the case of Senior Preferred Notes and Senior Non-Preferred Notes) the Applicable MREL Regulations or (in the case of Subordinated Notes) the Applicable Banking Regulations in force at the relevant time, (ii) the prior permission of the Relevant Regulator (if such permission is required by the Applicable MREL Regulations or the Applicable Banking Regulations, as the case may be) and (iii) applicable law and regulation. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent and/or the Registrar for cancellation.

*(l) Cancellation*

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 6(k) (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

*(m) Late payment on Zero Coupon Notes*

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 6(a), (b), (c), (d) or (e) or upon its becoming due and repayable as provided in Condition 9(a) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 6(j)(ii) as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

(i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and

(ii) the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Principal Paying Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 13.

## 7 TAXATION

All payments of principal and interest in respect of the Notes and Coupons by, or on behalf of, the Issuer will be made without withholding or deduction for, or on account of, any present or future taxes or duties of whatever nature imposed or levied by, or on behalf of, the Kingdom of Sweden (or any political subdivision or any authority in the Kingdom of Sweden having power to tax) unless the withholding or deduction of such taxes

is required by law. In that event, in respect of payments of interest (but not principal or any other amount), the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons in respect of payments of interest after such withholding or deduction shall equal the respective amounts of interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon presented for payment:

(i) by or on behalf of a holder who is liable for such taxes or duties 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 such Note or Coupon; or

(ii) by or on behalf of a holder of such Note or Coupon who, at the time of such presentation, is able to avoid such withholding or deduction by making a declaration of non-residence or other similar claim for exception to the relevant tax authority; or

(iii) in the Kingdom of Sweden; or

(iv) more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5).

Notwithstanding any other provision of these Conditions, in no event will the Issuer or any other person be required to pay any additional amounts in respect of the Notes and Coupons for, or on account of, any FATCA Withholding.

As used herein, the *"Relevant Date"* means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent or the Registrar or, in the case of VPS Notes, the holders of the VPS Notes, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 13.

## 8 PRESCRIPTION

The Notes (whether in bearer or registered form) and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5 or any Talon which would be void pursuant to Condition 5.

## 9 EVENTS OF DEFAULT

*(a) Events of Default*

If any of the following circumstances (each an *"Event of Default"*) has occurred and is continuing:

(i) the Issuer shall default for a period of 14 days in the payment of principal in respect of any Note which has become due and payable in accordance with these Conditions; or

(ii) the Issuer shall default for a period of 14 days in the payment of interest due on any Note on an Interest Payment Date or any other date on which the payment of interest is compulsory; or

(iii) an order is made or an effective resolution is 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 the entire obligations of the Issuer under the Notes) or the Issuer is otherwise declared bankrupt or put into liquidation, in each case by a court or agency or supervisory authority in the Kingdom of Sweden having jurisdiction in respect of the same,

the holder of any Note (or, in the case of VPS Notes, the VPS Trustee) may:

(a) (in the case of (i) or (ii) above) institute proceedings for the Issuer to be declared bankrupt or its winding-up or liquidation, 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 (iii) above), prove or claim in the bankruptcy or voluntary or involuntary liquidation of the Issuer, whether in the Kingdom of Sweden or elsewhere and whether instituted by the Issuer itself or by a third party,

but (in either case) the holder of such Note may claim payment in respect of the Note only in the bankruptcy or voluntary or involuntary liquidation of the Issuer.

In any of the events or circumstances described in (iii) above, the holder of any Note (or, in the case of VPS Notes, the VPS Trustee) may, by notice to the Principal Paying Agent and the Issuer, declare his Note to be due and payable, and such Note shall accordingly become due and payable at its Early Redemption Amount (as described in Condition 6(j)) together with accrued interest, if any, to the date of payment but subject to such holder only being able to claim payment in respect of the Note in the bankruptcy or voluntary or involuntary liquidation of the Issuer.

The holder of a Note (or, in the case of VPS Notes, the VPS 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 the foregoing provisions of this Condition 9(a), 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.

No remedy against the Issuer, other than as provided above, shall be available to the Noteholders or Couponholders in respect 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 with respect to the Notes.

*(b) Exercise of Swedish Statutory Bail-in Power*

The exercise of any Bail-in Power (as defined in Condition 18) in resolution, including the entry into resolution of the Issuer, by the Swedish National Debt Office with respect to the Notes will not be an Event of Default with respect to such Notes.

## 10 REPLACEMENT OF NOTES, COUPONS AND TALONS

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (in the case of Bearer Notes or Coupons) or the Registrar (in the case of Registered Notes) (or such other place as may be notified to the Noteholder) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

## 11 AGENTS

The names of the initial Agents and their initial specified offices are set out below. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents and their initial specified offices will be specified in Part B of the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

(i) there will at all times be a Principal Paying Agent and a Registrar;

(ii) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange (or any other relevant authority);

(iii) so long as any of the Registered Global Notes payable in a Specified Currency other than U.S. dollars are held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City;

(iv) there will at all times be a Paying Agent in a jurisdiction within continental Europe other than the Kingdom of Sweden; and

(v) in the case of VPS Notes, there will at all times be a VPS Agent authorised to act as an account holding institution with the VPS and one or more Calculation Agent(s) where the Conditions of the relevant VPS Notes so require.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5(e). Notice of any variation, termination, appointment or change in the Paying Agents and/or the Transfer Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 13.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

## 12 EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8.

## 13 NOTICES

### *(a) Notes other than VPS Notes*

All notices regarding the Bearer Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that such publication will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange (or any other relevant authority) on which the Bearer Notes are for the time being listed. Any such notice will be deemed to have been given on the date

of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange (or any other relevant authority) and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by that stock exchange (or any other relevant authority).

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg and/or DTC, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or DTC for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange (or any other relevant authority) and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg and/or DTC.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the principal paying Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg and/or DTC, as the case may be, may approve for this purpose.

*(b) VPS Notes*

Notices to holders of VPS Notes shall be valid if the relevant notice is given to the VPS for communication by it to the holders and, so long as the VPS Notes are listed on a stock exchange, the Issuer shall ensure that notices are duly published in a manner which complies with the rules of such exchange. Any such notice shall be deemed to have been given to the holders of the VPS Notes on the date of delivery of such notice by the VPS.

## 14 MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

*(a) Notes other than VPS Notes*

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of the Conditions of the Notes, the Agency Agreement or the Coupons. The quorum at any such meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing a clear majority of the nominal amount of the Notes for the time being outstanding, or at any such adjourned meeting one or more persons present being or representing the Noteholders whatever the nominal amount of the Notes held or represented, except that at any meeting, the business of which includes the modification of certain Conditions of the Notes, the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than 75 per cent., or at any such adjourned meeting not less than 50 per cent., of the nominal amount of the Notes for the time being outstanding.

Any resolution passed at any meeting of the Noteholders will be binding on all the Noteholders, whether or not they are present at the meeting, and on all the Couponholders. Any Notes which have been purchased and are held by or on behalf of the Issuer but have not been cancelled shall (unless and until resold) be deemed not to be outstanding for the purposes of the right to attend or participate in any way at any meeting of Noteholders.

The Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to:

(i) any modification (except as mentioned above) of the Agency Agreement which, as determined by the Issuer, is not prejudicial to the interests of the Noteholders; or

(ii) any modification of the Notes, the Coupons, the Deed of Covenant or the Agency Agreement which, as determined by the Issuer, is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

Any modification to these Conditions in relation to the Notes of any Series is subject to the prior permission of the Relevant Regulator (if such permission is required by the Applicable MREL Regulations or the Applicable Banking Regulations, as the case may be).

*(b) VPS Notes*

The VPS Trustee Agreement contains provisions for convening meetings of the holders of VPS Notes to consider any matter affecting their interests, including sanctioning by a majority of votes (as more fully set out in the VPS Trustee Agreement) a modification of the VPS Notes or any of the provisions of the VPS Trustee Agreement (or, in certain cases, sanctioning by a majority of two thirds of votes). Such a meeting may be convened by the Issuer, the VPS Trustee or by the holders of not less than 10 per cent. of the Voting VPS Notes. For the purpose of this Condition, *"Voting VPS Notes"* means the aggregate nominal amount of the total number of VPS Notes not redeemed or otherwise deregistered in the VPS, less the VPS Notes owned by the Issuer, any party who has decisive influence over the Issuer or any party over whom the Issuer has decisive influence.

The quorum at a meeting for passing a resolution is one or more persons holding at least one half of the Voting VPS Notes or at any adjourned meeting one or more persons being or representing holders of Voting VPS Notes whatever the nominal amount of the VPS Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the VPS Notes, the VPS Trustee Agreement (including modifying the date of maturity of the VPS Notes or any date for payment of interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the VPS Notes or altering the currency of payment of the VPS Notes), the quorum shall be one or more persons holding or representing not less than two-thirds in aggregate nominal amount of the Voting VPS Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in aggregate nominal amount of the Voting VPS Notes. A resolution passed at any meeting of the holders of VPS Notes shall be binding on all the holders, whether or not they are present at such meeting.

The VPS Trustee Agreement provides that:

(i) the VPS Trustee may in certain circumstances, without the consent of the holders of the VPS Notes, make decisions binding on all holders relating to the Conditions, the VPS Trustee

Agreement or the VPS Agency Agreement including amendments which are not, in the VPS Trustee's opinion, materially prejudicial to the interests of the holders of the VPS Notes; and

(ii) the VPS Trustee may reach decisions binding for all holders of VPS Notes.

Any modification to these Conditions in relation to the VPS Notes of any Series is subject to the prior permission of the Relevant Regulator (if such permission is required by the Applicable MREL Regulations or the Applicable Banking Regulations, as the case may be).

## 15 FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes (or the same in all respects save for the issue date, the issue price, the amount and date of the first payment of interest thereon and the date from which interest starts to accrue) and so that the same shall be consolidated and form a single Series with the outstanding Notes.

## 16 GOVERNING LAW AND SUBMISSION TO JURISDICTION

*(a) Governing law*

The Agency Agreement, the Deed Poll, the Deed of Covenant, the Notes and the Coupons and any non-contractual obligations arising therefrom or in connection therewith shall be governed by, and construed in accordance with, English law except that (i) Condition 3 shall be governed by, and construed in accordance with, the laws of the Kingdom of Sweden and (ii) the registration of VPS Notes in the VPS as well as the recording and transfer of ownership to, and other interests in, VPS Notes and Condition 14(b) shall be governed by, and construed in accordance with, Norwegian law. The VPS Trustee Agreement is, and the VPS Agency Agreement shall be, governed by and construed in accordance with Norwegian law.

*(b) Submission to jurisdiction*

The Issuer agrees, for the exclusive benefit of the Noteholders and the Couponholders, that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes and/or the Coupons (including a dispute relating to any non-contractual obligations arising therefrom or in connection therewith) and that accordingly any suit, action or proceedings (together referred to as *"Proceedings"*) arising out of or in connection with the Notes and the Coupons (or any non-contractual obligations arising therefrom or in connection therewith) may be brought in such courts.

The Issuer hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any such Proceedings in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the English courts shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction.

To the extent allowed by law, nothing contained in this Condition shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

*(c) Appointment of Process Agent*

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 - The Swedish Trade & Invest Council 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) Waiver of immunity*

The Issuer hereby irrevocably and unconditionally waives with respect to the Notes and the Coupons any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence and irrevocably and unconditionally consents to the giving of any relief or the issue of any process including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any proceedings.

*(e) Other documents*

The Issuer has in the Agency Agreement, the Deed Poll and the Deed of Covenant submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

**17 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 (the *"Act"*), but this does not affect any right or remedy of any person which exists or is available apart from that Act.

**18 SWEDISH STATUTORY BAIL-IN POWER**

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 Swedish National Debt Office (in its capacity as resolution authority) including, without limitation, (i) any such exercise 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 (ii) 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 Swedish National Debt Office (in its capacity as 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 Swedish National Debt Office (in its capacity as resolution authority).

For these purposes, a *"Bail-in Power"* means any write-down, conversion, transfer, modification, moratorium, suspension or similar or related 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 SBAB 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 SBAB Group, including, but not limited to, the Swedish Resolution Act or any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of the BRRD 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 SBAB 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 Swedish National Debt Office (in its capacity as 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 13

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 Swedish National Debt Office (in its capacity as resolution authority) with respect to the Notes shall not constitute an event of default under the Notes or for any other purpose 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 Swedish National Debt Office (in its capacity as 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 SBAB 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 between the Issuer and any other person relating to the application of any Bail-in Power to the Notes.

## USE OF PROCEEDS

The net proceeds from each issue of Notes will be applied by the Issuer:

(i) for the general financing of the Issuer's and the SBAB Group's business activities; and/or

(ii) if so specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) as "Green Bonds", primarily towards the financing or refinancing of Eligible Green Loans of the SBAB Group, as defined in and as described in the SBAB Group's green bond framework, as amended, superseded and/or replaced from time to time (the "SBAB Group's Green Bond Framework"), available at https://www.sbab.se/1/in_english/investor_relations/sbab_unsecured_funding/sbab_green_bond.html. A second party opinion provider will review and verify the criteria and processes set out in the SBAB Group's Green Bond Framework and issue a second opinion in relation thereto, which will be published on the SBAB Group's website. Only Tranches of Notes where the use of proceeds will be used and managed in accordance with the SBAB Group's Green Bond Framework will be designated "Green Bonds" and will be identified as such in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement).

# INFORMATION RELATING TO THE ISSUER

## Introduction

The Issuer is a public limited liability company and joint stock banking company, wholly owned by the Kingdom of Sweden. The interest of the Kingdom of Sweden is represented by the Government Offices of Sweden. The Issuer operates as an independent profit-making company regulated as a banking company under the Swedish Act on Banking and Financing Activities (Sw. *Lagen (2004:297) om bank- och finansieringsrörelse*) and is subject to the supervision of the Swedish FSA. The Issuer obtained its licence to conduct banking operations from the Swedish FSA on 30 November 2010. Relevant Articles of Association, permitting the Issuer to conduct banking operations, were adopted on 16 March 2011. Adjustments to the Articles of Association have been made when relevant and the latest Articles of Association were adopted on 28 April 2016 and duly registered on and valid as of 3 June 2016. On 12 December 2018, the Issuer was also authorised by the Swedish FSA to conduct securities operations in the form of a permit to trade for its own account (Sw. *bedriva handel med finansiella instrument för egen räkning*). The permit is, in the Issuer's opinion, required due to legislative amendments following the implementation of MiFID II.

The Issuer was registered in Sweden on 21 December 1984. The Issuer's Swedish Corporate ID is 556253-7513 and its legal entity identifier (LEI) code is H0YX5LBGKDVOWCXBZ594. The Issuer's registered office is situated in the municipality of Solna, Sweden. The registered postal address of the Issuer is P.O. Box 4209, SE 171 04 Solna, Sweden, the telephone number is +46 8 614 43 00 and the Issuer's website is www.sbab.se. The information on the Issuer's website does not form part of this Offering Circular unless such information is incorporated by reference into this Offering Circular. The visiting address of the Issuer is Svetsarvägen 24, SE-171 41 Solna, Sweden.

The Issuer has been assigned the credit ratings as set out below from Moody's and S&P:

| | **Moody's** | **S&P** |
|---|---|---|
| Issuer Rating | A1 | A |
| Long-term funding | A1 | A |
| Short-term funding | P-1 | A-1 |

The Issuer was established for the purpose of acquiring the requisite capital to finance Government-backed residential mortgages and commenced its operations on 1 July 1985. Prior to this, Government-backed residential mortgages were financed directly via the Government budget.

On the date of this Offering Circular, the SBAB Group consists of the Issuer as parent company, its wholly-owned subsidiaries, SCBC and Booli Search Technologies AB ("*Booli*"), and its majority-owned subsidiary, Boappa AB ("*Boappa*"). As set out in the sections "*The Swedish Covered Bond Corporation*" and "*Credit facility agreement between the Issuer and SCBC*", the Issuer is dependent on its subsidiary SCBC due to the two companies' mutual commercial and legal relationship.

On 3 May 2021, SBAB acquired 58 per cent. of the shares in Boappa. It acquired a further 1.48 per cent. in January 2022, and 7.40 per cent. in May 2022. There are put and call options over the remaining shares. Boappa provides a communication platform, tailored mainly for tenant-owners' associations, via their app "Boappa".

The services provided by Booli include Booli.se, one of Sweden's largest housing sites and search engines for homes, Hittamäklare.se, a real estate agent guide with around 6,000 registered estate agents, and Booli Pro, an analysis tool that helps residential construction companies and banks understand the real estate market in Sweden.

SCBC's main purpose is to issue covered bonds (Sw. *säkerställda obligationer*) pursuant to the Swedish Act on Issuance of Covered Bonds (Sw. *Lagen (2003:1223) om utgivning av säkerställda obligationer*) and to conduct activities related thereto. A more detailed description of SCBC is set out below in the section "*The Swedish Covered Bond Corporation*".

**Accounting principles**

Unless stated otherwise, the financial information relating to 2020–2022 in this section "*Information relating to the Issuer*" has been extracted without adjustment from the Annual Report 2021 or the 2022 Third Quarter Interim Report.

The consolidated accounts have been prepared in compliance with International Financial Reporting Standards (IFRS) as adopted by the EU. In addition to these accounting standards, the Swedish FSA's Regulatory Code 2008:25 (Regulations and general guidelines regarding annual reports at credit institutions and securities companies) (Sw. *Föreskrifter och allmänna råd (FFFS 2008:25) om årsredovisning i kreditinstitut och värdepappersbolag*), the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (Sw. L*agen (1995:1559) om årsredovisning i kreditinstitut och värdepappersbolag*) as well as the requirements in the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups are taken into consideration.

The Issuer, being the parent company of the SBAB Group, applies statutory IFRS, which means that the annual report has been prepared in compliance with IFRS with the additions and exceptions that ensue from the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities, the Swedish FSA's Regulatory Code 2008:25 (Regulations and general guidelines regarding annual reports at credit institutions and securities companies) and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies.

The main differences between the SBAB Group's and the Issuer's accounting policies are described on page 114 of the Annual Report 2021 and a more detailed description of the accounting policies in general is included on pages 114 to 115 of the Annual Report 2021.

From 1 January 2018 the mandatory sections of IFRS 9 have replaced IAS 39 within IFRS, while the SBAB Group uses the option to apply IAS 39 regarding hedge accounting.

**Activities**

The SBAB Group's main business operations consist of lending in the Swedish residential mortgage market directed at individuals, tenant-owner associations and companies. The SBAB Group may also finance e.g. acquisitions of offices and other commercial properties, but in relation to the SBAB Group's total loan portfolio, lending to commercial properties is not significant. Besides security over mortgage certificates or rights in tenant-owner associations, the SBAB Group may also accept other collateral such as shares in limited liability companies. SBAB Group has a number of business partners that act as distributors for the SBAB Group's products. In 2007, the SBAB Group expanded its product range to include savings products for individuals and in 2009 deposit facilities were launched for companies and tenant-owner associations. As a feature of the SBAB Group's plan to broaden its operations, unsecured loans were launched during 2010.

The SBAB Group's business strategy since August 2014 has been to focus on, and develop, the core business areas of mortgages and residential financing with more efficient operations and an increased focus on mortgage offers, customer communication and sales. The SBAB Group's savings offer continues to be an important part of the business. Furthermore, sustainability is an important and integrated part of the SBAB Group's overall business strategy, as evident from, amongst other, the specific green loan offering launched to customers in June 2018 and by the SBAB Group being an issuer of green bonds with dedicated use of proceeds since 2016.

**The Swedish Covered Bond Corporation**

SCBC is a wholly-owned subsidiary of the Issuer. SCBC's activities are mainly focused on issuing covered bonds in the Swedish and international capital market. To this end, SCBC currently has two funding programmes in place; a domestic covered bond programme in Sweden and a euro medium term covered note programme (the "*EMTCN Programme*") in the international market. On the date of this Offering Circular, these two programmes have all been assigned the highest possible credit rating (Aaa) by Moody's. Other programmes may be established and stand-alone issues may be made from time to time.

SCBC does not conduct any new lending operations but acquires loans primarily from the Issuer and may acquire loans from others. SCBC acquired a portfolio of loans from the Issuer in 2006 under a master sale agreement that also provides for the continuous transfer of loans from the Issuer to SCBC. The Issuer and SCBC have also entered into a subordination agreement, pursuant to which the Issuer has agreed that all present and future claims that it has or may have against SCBC, except any claims that the Issuer may have against SCBC under any derivative agreement entered into pursuant to the Swedish Act on Issuance of Covered Bonds, will be subordinated to all unsubordinated claims against SCBC in the event of SCBC's bankruptcy. Of the total subordinated debt under the Subordination Agreement, SEK 11,000 million comprises an internal group debt instrument (senior non-preferred notes) that has been issued by SCBC to the Issuer for the purpose of meeting the MREL requirement announced by the Swedish National Debt Office in relation to SCBC.

SCBC's lending to the public after provisions as at 31 December 2021 and 30 June 2022 amounted to SEK 442,067 million and SEK 462,023 million, respectively (SEK 398,029 million as at 31 December 2020 and SEK 417,167 million as at 30 June 2021). The above data relating to 30 June 2021 and 30 June 2022 has been derived from SCBC's interim report for the period from January to June in each such year.

**Credit facility agreement between the Issuer and SCBC**

In December 2008, a multicurrency revolving credit facility agreement was established between the Issuer and SCBC. Under the agreement the Issuer makes available a committed credit facility to SCBC up to an amount equal to SCBC's outstanding covered bonds, from time to time, with an original maturity falling in the period within 364 days from the date of the agreement. The term of the agreement is 364 days and is automatically extended by a further 364 days unless terminated by SCBC or if a default under the agreement is outstanding and the Issuer gives notice to SCBC 30 days prior to the relevant termination date that the agreement should not be extended.

Satisfying the requirements set out in Chapter 6, section 1 of the Swedish FSA's Regulatory Code 2014:12 (Regulations regarding prudential requirements and capital buffers) (Sw. *Föreskrifter (FFFS 2014:12) om tillsynskrav och kapitalbuffertar*) and the corresponding requirements in the CRR, SCBC and the Issuer are supervised as a single liquidity sub-group as part of the liquidity management and risk control pursuant to the Swedish FSA's Regulatory Code 2010:7 (Regulations regarding management of liquidity risks in credit institutions and investment firms) (Sw. *Föreskrifter (FFFS 2010:7) om hantering av likviditetsrisker för kreditinstitut och värdepappersbolag*).

### Lending

The SBAB Group's lending to the public after provisions at 31 December 2021 and 30 September 2022 amounted to SEK 467,041 million and SEK 498,641 million, respectively (SEK 422,835 million at 31 December 2020 and SEK 451,267 million at 30 September 2021).

### Deposits

Total deposits amounted to SEK 144,950 million and SEK 171,011 million as at 31 December 2021 and 30 September 2022, respectively (SEK 135,658 million as at 31 December 2020 and SEK 140,645 million at 30 September 2021).

## Funding

### Short-term funding

The Issuer mainly finances its short-term funding needs through two commercial paper programmes; a Swedish commercial paper programme (SVCP) and a Euro Commercial Paper Programme (ECP). The Issuer is also active in the repo- and deposit markets for short term liquidity needs on a daily basis.

### Long-term funding

The Issuer issues its long-term non-covered debt under the Issuer's EUR 13,000,000,000 Euro Medium Term Note programme and may also issue on a stand-alone basis or under additional programmes from time to time.

SBAB Group's covered bond funding is conducted by SCBC, through (i) the EMTCN Programme, (ii) the Swedish covered bond programme, (iii) on a stand-alone basis, and/or (iv) under additional programmes from time to time.

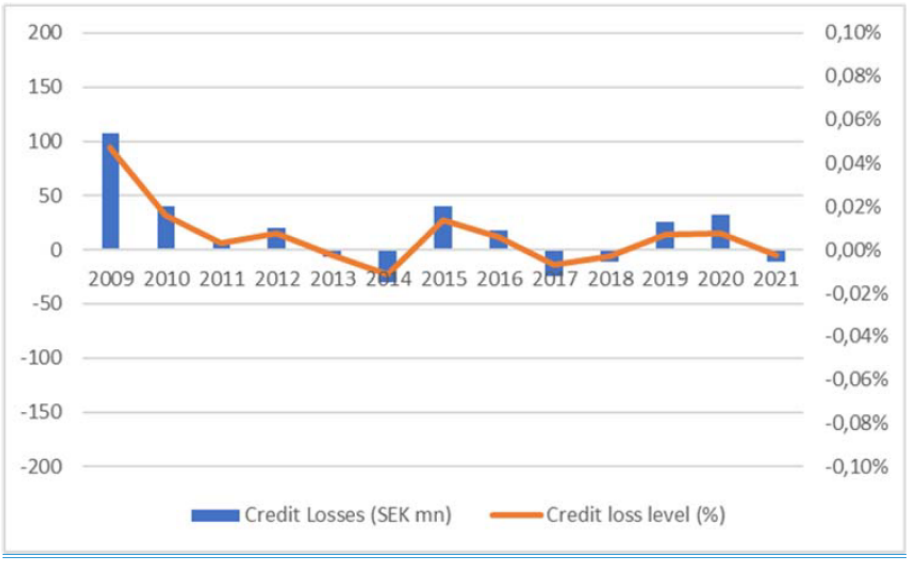
During 2021, the SBAB Group issued a number of long-term transactions with a volume equivalent to SEK 99.2 billion distributed among various currencies but mainly EUR and SEK.

| | **SBAB Group** | | **The Issuer** | |
|---|---|---|---|---|
| | **2021** | **2020** | **2021** | **2020** |
| | *SEK million* | | | |
| **Debt securities in issue** | | | | |
| Financial liabilities at amortised cost: | | | | |
| Swedish kronor commercial paper programmes | 200 | 450 | 200 | 450 |
| Foreign currency commercial paper programmes | 4,015 | 4,740 | 4,015 | 4,740 |
| **Total** | 4,215 | **5,190** | 4,215 | **5,190** |
| Bond loans: | | | | |
| Bond loans in SEK | | | | |
| - at amortised cost | 82,876 | 59,066 | 27,541 | 22,662 |
| - in fair value hedging | 182,293 | 157,437 | 7,752 | 9,734 |
| Bond loans in foreign currency | | | | |
| - at amortised cost | 82,333 | 96,504 | 11,297 | 17,245 |

| | SBAB Group | | The Issuer | |
|---|---|---|---|---|
| | **2021** | **2020** | **2021** | **2020** |
| | | *SEK million* | | |
| - in fair value hedging | 12,648 | 5,507 | 12,647 | 5,010 |
| **Total** | 360,150 | 318,514 | 59,237 | **54,651** |
| **Total debt securities in issue** | 364,365 | 323,704 | 63,452 | 59,841 |
| of which covered bonds | 300,913 | 263,863 | — | — |

## Credit losses

The diagram below shows the SBAB Group's credit losses and the credit loss level as a percentage of total lending at the end of each year for each of the years 2009 to 2021.




The credit loss data in the table above has been derived from the SBAB Group's annual reports for each year and, as appropriate, adjusted to the credit loss definition applied by the Issuer in the Annual Report 2020.

## Capital ratios

As at 31 December 2021 and 30 September 2022, the Issuer Consolidated Situation's total capital ratio was 18.1 per cent. and 17.9 per cent., respectively (17.6 per cent. as at 31 December 2020 and 17.9 per cent. as at 30 September 2021). As at 31 December 2021 and 30 September 2022, the Issuer Consolidated Situation's CET1 Ratio was 13.5 per cent. and 12.8 per cent., respectively (13.4 per cent. as at 31 December 2020 and 13.3 per cent. as at 30 September 2021).

## Liquidity reserve

The SBAB Group's liquidity reserve primarily comprises liquid, interest-bearing securities with high ratings. As at 31 December 2021 and 30 September 2022, the market value of the assets in the liquidity reserve amounted to SEK 82.3 billion and SEK 84.1 billion, respectively (SEK 70.9 billion as at 31 December 2020

and SEK 96.0 billion as at 30 September 2021). Taking the Riksbank's and the European Central Bank's haircuts into account, the liquidity value of the assets in the liquidity reserve amounted to SEK 78.4 billion and SEK 81.8 billion as at 31 December 2021 and 30 September 2022, respectively (SEK 68.0 billion as at 31 December 2020 and SEK 92.5 billion as at 30 September 2021).

Securities holdings are an integrated part of the SBAB Group's liquidity risk management. Holdings in the portfolio are limited by asset class and by country, respectively. In addition to these collective limits, limits for individual issuers may also be set.

For more information regarding the liquidity portfolio and the liquidity reserves, please see pages 135 to 139 of the Annual Report 2021.

**Regulatory framework and capital requirements**

The Issuer's activities are regulated by, inter alia, the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*), the Swedish Banking and Financing Business Act and its articles of association. As a banking company, the Issuer is subject to the supervision of the Swedish FSA and regulated by, *inter alia*, the Swedish Deposit Insurance Act (Sw. *lagen (1995:1571) om insättningsgaranti*) and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies as well as the Swedish FSA's Regulatory Codes (which includes its regulations and general guidelines) and guidelines issued by the European Banking Authority.

The Issuer is further subject to the provisions set forth in the CRR as amended by CRR II, and in the Swedish Supervision of Credit Institutions and Investment Firms Act (Sw. *lagen (2014:968) om särskild tillsyn över kreditinstitut och värdepappers-bolag*) and the Swedish Act on Capital Buffers (Sw. *lagen (2014:966) om kapitalbuffertar*) which implements CRD IV as amended by CRD V.

In addition, the Issuer is subject to the BRRD and the Swedish Resolution Act.

## BOARD OF DIRECTORS AND MANAGEMENT

The members of the Board of Directors and Executive Management, whose business addresses are at the registered address of SBAB, are as of the date of this Offering Circular:

### Board of Directors

| | | Principal outside activities |
|---|---|---|
| Jan Sinclair | Chairman | Chairman of AB Sveriges Säkerställda Obligationer (publ), AB Victorhuset, Nilsson Energy AB and REH2 AB and board member of STS Alpresor, Almi AB, Bipon AB and JML Sinclair AB. |
| Lars Börjesson | Board Member | Chairman of KGH Customs Service AB, KGH Global Consulting AB, Atlantic Continental Holding AB and KGH Digital AB. Board member of Taggsvampen AB and Atlantic Continental Holding AB. CEO of KGH Group AB. |
| Inga-Lill Carlberg | Board Member | COO and board member of Trill Impact AB and chair of Stiftelsen för Finansforskning. |
| Jenny Lahrin | Board Member | Board member of V.S. VisitSweden AB and AB Göta kanalbolag and Under-secretary at the Government Offices of Sweden. |
| Jane Lundgren Ericsson | Board Member | Board member of AB Sveriges Säkerställda Obligationer (publ) and Copperstone Resources AB (publ). CEO at Visma Finance AB. |
| Synnöve Trygg | Board Member | Board member of AB Sveriges Säkerställda Obligationer (publ), PreciceBiometrics AB and Volvo Finans Bank AB. |
| Leif Pagrotsky | Board Member | Chairman of Beckmans Skola Aktiebolag, Vitartes Intea Holding AB, Husvärden L Larsson & Co AB and Smartilizer Scandinavia AB. |
| Wenche Martinussen | Board Member | Board member of Oslo Philanthropic Exchange and Sales and Marketing Director, BI Norwegian Business School. |
| Karin Neville | Board Member, Employee Representative, SBAB | - |
| Margareta Naumburg | Board Member, Employee Representative, SBAB | - |
| Therese Sandberg | Deputy Board Member, Employee Representative, SBAB | - |

| | | |
|---|---|---|
| David Larsson | Deputy Board Member, Employee Representative, SBAB | - |

## Executive Management

| | | **Principal outside activities** |
|---|---|---|
| Mikael Inglander | Chief Executive Officer | Board member of AB Sveriges Säkerställda Obligationer (publ) and Booli Search Technologies AB. |
| Carl Olsson | Acting Chief Financial Officer | - |
| Sara Davidgård | Chief Risk Officer | - |
| Carina Eriksson | Head of Human Resources | - |
| Andras Valko | Head of Data Science | - |
| Kristina Tånneryd | Acting Head of Business Specialist | - |
| Robin Silfverhielm | Chief Experience Officer | Board member of Booli Search Technologies AB and Boappa AB. |
| Malou Sjörin | Head of Sustainability, Marketing and Communication | - |
| Marko Ivanic | Chief Technology Officer | - |
| Johan Prom | Head of Business Area Private | Board member of Booli Search Technologies AB and Boappa AB. |

SBAB's registered address and postal address is: P.O. Box 4209, SE-171 04 Solna, Sweden. The visiting address is Svetsarvägen 24, SE-171 04 Solna, Sweden.

There are no potential conflicts of interest between the duties to SBAB of the persons listed under the headings "*Board of Directors*" and "*Executive Management*" above and their private interests or other duties.

## Auditors

Deloitte AB, Rehnsgatan 11, SE-113 79 Stockholm, Sweden, represented by the auditor in charge Patrick Honeth (Authorised Public Accountant) has been the Issuer's auditor since the annual general meeting held on 28 April 2016.

Patrick Honeth is a member of FAR, the professional institute for authorised public accountants, authorised public accountants, licensed auditors for financial institutions and other highly qualified professionals in the accountancy sector in Sweden.

## BOOK-ENTRY CLEARANCE SYSTEMS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream, Luxembourg (together, the "Clearing Systems") currently in effect. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing Systems. None of the Issuer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuer believes to be reliable, but none of the Issuer nor any Dealer takes any responsibility for the accuracy thereof. 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 such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.*

### Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly. Distributions of principal and interest with respect to book-entry interests in the Notes held through Euroclear and Clearstream, Luxembourg will be credited to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

### DTC book-entry System

Registered Notes sold in reliance on Rule 144A under the Securities Act, whether as part of the initial distribution of the Notes or in the secondary market, are eligible to be held in book-entry form in DTC. DTC has advised the Issuer that it is a limited purpose trust company organised under the New York Banking Law, a "banking organisation" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants ("*Participants*") deposit with DTC. DTC also facilitates the post-trade settlement among Participants of sales and other securities transactions in deposited securities through electronic computerised book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants ("*Direct Participants*") include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("*DTCC*"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of the its regulated subsidiaries. Access to the DTC System is also available to others such as both U.S. and non-U.S. securities brokers and

dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (*"Indirect Participants"*).

Under the rules, regulations and procedures creating and affecting DTC and its operations (the *"Rules"*), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC's book-entry settlement system (*"DTC Notes"*) as described below, and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (*"Owners"*) have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest with respect to the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each actual purchaser of each DTC Note (*"Beneficial Owner"*) is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co, or such other name as may be requested by an authorised representative of DTC. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to Cede & Co., or such other nominee as may be requested by an authorised representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Principal Paying Agent, on the due date for payment in accordance with their respective holdings shown on DTC's records. Payments to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC, the Principal Paying Agent or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorised representative of DTC) is the responsibility of the Issuer or Principal Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursements of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Note, will be legended as set forth under "Subscription and Sale and Transfer and Selling Restrictions".

**Book-entry Ownership of and Payments in respect of DTC Notes**

The Issuer will apply to DTC in order to have each Tranche of Notes represented by Rule 144A Global Notes accepted in its book-entry settlement system. Upon the issue of any Rule 144A Global Notes, DTC or its custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Rule 144A Global Notes to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in a Rule 144A Global Note will be limited to Direct Participants or Indirect Participants. Ownership of beneficial interests in a Rule 144A Global Note will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Rule 144A Global Note registered in the name of DTC's nominee will be made to the order of such nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Agent on behalf of DTC's nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Rule 144A Global Notes in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

The Issuer expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer also expects that payments by Participants to beneficial owners of Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Principal Paying Agent, the Registrar or the Issuer Payments of principal, premium, if any, and interest, if any, on Notes to DTC are the responsibility of the Issuer.

**Transfers of Notes Represented by Registered Global Notes**

Transfers of any interests in Notes represented by a Registered Global Note will be effected in accordance with the customary rules and operating procedures of DTC, Euroclear and Clearstream, Luxembourg, as the case may be. The laws in some States within the United States require that certain persons

take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Rule 144A Global Note to pledge such Notes to persons or entities that do not participate in the DTC system or to otherwise take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Rule 144A Global Note to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under *"Subscription and Sale and Transfer and Selling Restrictions"*, cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Fiscal Agent and any custodian (*"Custodian"*) with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg and Euroclear, on the other, transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the Fiscal Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream, Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Agents or any Dealer will be responsible for any performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

## SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

The Initial Dealer has, in an amended and restated programme agreement dated 1 November 2022 (the *"Programme Agreement"*), agreed with the Issuer a basis upon which it, and all other Dealers appointed under the Programme Agreement from time to time or any of them, may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under *"Form of the Notes"* and *"Terms and Conditions of the Notes"*. In the Programme Agreement, the Issuer has agreed to reimburse the Initial Dealer for certain of its expenses in connection with the update of the Programme and has agreed to reimburse the Dealers for certain of their expenses in connection with the issue of Notes under the Programme. The price at which a Tranche of Notes will be purchased or subscribed and the commission or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription or purchase will be as agreed between the Issuer and the relevant Dealer at or prior to the time of the issue of the relevant Tranche. The Programme Agreement also makes provision for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

### Transfer Restrictions

**As a result of the following restrictions, purchasers of Notes are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes. Notes initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Notes and Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes.**

### Regulation S Notes

Each purchaser of Notes outside the United States pursuant to Regulation S and each subsequent purchaser of such Regulation S Global Notes in resales prior to the expiration of the distribution compliance period, by accepting delivery of this Offering Circular and the Regulation S Global Notes, will be deemed to have represented, agreed and acknowledged that:

(i) It is, or at the time the Regulation S Global Notes are purchased will be, the beneficial owner of such Regulation S Global Notes and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate.

(ii) It understands that such Regulation S Global Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the distribution compliance period, it will not offer, sell, pledge or otherwise transfer such Regulation S except (a) in accordance with Rule 144A under the Securities Act to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States.

(iii) The Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

(iv) It understands that the Notes offered in reliance on Regulation S will be represented by the Regulation S Global Note. Prior to the expiration of the distribution compliance period, before any interest in the Regulation S Global Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in any Rule 144A Global

Note, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

(v) It acknowledges that the Regulation S Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART".

**Rule 144A Notes**

Each purchaser of 144A Global Notes within the United States pursuant to Rule 144A, by accepting delivery of this Offering Circular, will be deemed to have represented, agreed and acknowledged that:

(i) It is (a) a QIB (b) purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and (c) it is aware, and each beneficial owner of such Rule 144A Global Notes has been advised, that the sale of such 144A Notes to it is being made in reliance on Rule 144A.

(ii) It understands that the Rule 144A Global Notes have not have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and may not be offered, sold pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States.

(iii) it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (ii) above, if then applicable.

(iv) It understands that the Rule 144A Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT (i) IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT IN

ACCORDANCE WITH THE AGENCY AGREEMENT AND (ii) IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, or (4) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

THIS SECURITY AND RELATED DOCUMENTATION (INCLUDING, WITHOUT LIMITATION, THE AGENCY AGREEMENT REFERRED TO HEREIN) MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFORE, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON)".

(v) It acknowledges that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agrees that if any of such acknowledgments, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account.

(vi) No sale of Legended Notes in the United States to any one purchaser will be for less than U.S.$100,000 (or its foreign currency equivalent) principal amount and no Legended Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.$100,000 (or its foreign currency equivalent) of Registered Notes.

**Selling Restrictions**

**United States**

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

exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes in bearer form 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. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder. The applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

In connection with any Notes which are offered or sold outside the United States in reliance on an exemption from the registration requirements of the Securities Act provided under Regulation S (*"Regulation S Notes"*), the Initial Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver such Regulation S Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, of all Notes of the Tranche of which such Regulation S Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. The Initial Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each Dealer to which it sells any Regulation S Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, U.S. persons.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

**Prohibition of Sales to EEA Retail Investors**

Unless the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes) specifies *"Prohibition of Sales to EEA Retail Investors"* as "Not Applicable", the Initial 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 Offering Circular as completed by the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes) in relation thereto to any retail investor in the EEA. 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 (11) of Article 4(1) of MiFID II; or

  (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

  (iii) not a qualified investor as defined in the 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 applicable Final Terms (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 EEA (each, a

"*Relevant State*"), the Initial 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 Offering Circular as completed by the Final Terms (or, in the case of Exempt Notes, Pricing Supplement) in relation thereto to the public in that Relevant State except that it may make an offer of such Notes to the public in that Relevant State at any time:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(b) 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) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

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 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 Relevant 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 United Kingdom Retail Investors***

Unless the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes) specifies "*Prohibition of Sales to United Kingdom Retail Investors*" as "Not Applicable", the Initial 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 Prospectus as completed by the applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes) 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 United Kingdom 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 United Kingdom domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in Article 2 of 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 applicable Final Terms (or Pricing Supplement, in the case of Exempt Notes) specifies "*Prohibition of Sales to United Kingdom Retail Investors*" as "Not Applicable", the Initial 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 Prospectus as completed by the Final Terms (or, in the case of Exempt Notes, Pricing Supplement) 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 at any time:

(a) to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(b) 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) 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 United Kingdom domestic law by virtue of the EUWA.

***Other regulatory restrictions***

The Initial Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(i) in relation to any Notes which have a maturity of less than one year, (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 as 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 or sale of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 ("*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 any Notes in, from or otherwise involving the United Kingdom.

## France

This Offering Circular has not been approved by the *Autorité des marchés financiers* (the *"AMF"*).

The Initial Dealer and the Issuer have represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has only offered or sold and will only offer or

sell, directly or indirectly, any Notes in France to, and has only distributed or caused to be distributed and will only distribute or cause to be distributed in France, this Offering Circular, the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement) or any other offering material relating to the Notes to qualified investors as defined in Article 2(e) of the Prospectus Regulation

The direct or indirect resale of any Notes in France may be made only to qualified investors as defined in Article 2(e) of the Prospectus Regulation

**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; the *"FIEA"*) and the Initial 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 or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a 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.

**The Kingdom of Sweden**

The Initial Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy Notes or distribute any draft or definitive document in relation to any such offer, invitation or sale except in circumstances that will not result in a requirement to prepare a prospectus pursuant to the provisions of the Prospectus Regulation or the Act on Supplementary Rules to the EU Prospectus Regulation (Sw. *lag (2019:414) med kompletterande bestämmelser till EU:s prospektförordning*) or any other Swedish enactment.

**The Kingdom of Norway**

The Initial Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless the Issuer has confirmed in writing to each Dealer that the Notes (if required) and the Offering Circular have been approved by the Financial Supervisory Authority of Norway, it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Norway or to residents of Norway, except (i) to "qualified investors" as defined in Article 2(e) of the Prospectus Regulation (pursuant to Article 1(4)(a) of the Prospectus Regulation), as incorporated into Norwegian law pursuant to Section 7-1 of the Norwegian Securities Trading Act of 29 June 2007 no. 75 (the "*Securities Trading Act*"), or (ii) in respect of an offer of Notes addressed to investors subject to a minimum purchase of Notes for a total consideration of not less than €100,000 per investor pursuant to Article 1(4)(c) of the Prospectus Regulation as incorporated into Norwegian law pursuant to Section 7-1 of the Securities Trading Act, or (iii) to, when aggregated with such offer or sale of any Notes in the same offering by any other Dealer, fewer than 150 natural or legal persons (other than "qualified investors" as defined in Article 2(e) of the Prospectus Regulation (pursuant to Article 1(4)(b) of the Prospectus Regulation) as incorporated into Norwegian law pursuant to Section 7-1 of the Securities Trading Act), subject to obtaining the prior consent of the relevant Dealer or Dealers for any such offer, or (iv) in any other circumstance that shall not result in a requirement for the registration, or the publication by the Issuer or the Dealer or Dealers of a prospectus pursuant to Article 1(4) and Article 1(6) of the Prospectus Regulation as incorporated into Norwegian law pursuant to Section 7-1 of the Securities Trading Act. Notes denominated in Norwegian Kroner may not be offered or sold in the Norwegian market without the Notes prior thereto having been registered in accordance with section 3-1 of the Norwegian Securities Depository Act of 15 March 2019 no. 6 in a Securities Depository approved or

acknowledged under the EU central securities depositories (CSD) regulation (Regulation (EU) No 909/2014 of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012), which unless otherwise specified in the Final Terms will be VPS.

**Singapore**

The Initial Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Initial 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 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 Offering Circular 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 2001 of Singapore, as modified or amended from time to time (the "*SFA*")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where 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 Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

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

(i) 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)(c)(ii) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

**General**

The Initial Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells Notes or possesses or distributes this Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer or sale by it of Notes under the laws and regulations

in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales and neither the Issuer nor any other Dealer shall have any responsibility therefor.

# TAXATION

## Swedish Taxation

*The following summary outlines certain Swedish tax consequences of the acquisition, ownership and disposal of Notes. The summary is based on the laws of the Kingdom of Sweden as currently in effect and is intended to provide general information only. The summary is not exhaustive and does thus not address all potential aspects of Swedish taxation that may be relevant for a potential investor in the Notes and is neither intended to be nor should be construed as legal or tax advice. In particular, the summary 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 and as trading assets in a business. Such tax consequences are not described below. Neither does the summary cover Notes which are placed on an investment savings account (Sw. Investeringssparkonto). Investors should consult their professional tax advisors regarding the Swedish and foreign tax consequences (including the applicability and effect of tax treaties) of acquiring, owning and disposing of Notes in their particular situation.*

### *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.

Payments of any principal amount or any amount that is considered to be interest for Swedish tax purposes to a non-resident holder of any Notes should not be subject to Swedish income tax provided that such holder does not carry out business activities from a permanent establishment in Sweden to which the Notes are effectively connected. Under Swedish tax law, no withholding tax is imposed on payments of principal or interest to a non-resident holder of any Notes.

Individuals who are not resident in the Kingdom of Sweden for tax purposes may be liable to capital gains taxation in the Kingdom of 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 the Kingdom of Sweden or have lived permanently in the Kingdom of Sweden at any time during the calendar year of disposal or redemption or the ten calendar years preceding the year of disposal or redemption. Taxation may, however, be limited by an applicable tax treaty.

### *Resident holders of Notes*

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

Generally, 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*) are 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. *delägarrätter*) for Swedish tax purposes, not described further herein.

Under Swedish tax law, no withholding tax is imposed on payments of principal or interest to a resident holder of Notes. However, if amounts that are considered to be interest for Swedish tax purposes are paid to a private individual (or an estate of a deceased individual) that is a resident holder of Notes, Swedish preliminary taxes (Sw. *preliminärskatt*) are normally withheld at a rate of 30 per cent.

***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, and including an intermediary through which Notes are held) may be required to withhold at a rate of 30 per cent. on certain payments it makes (*"foreign passthru payments"*) to persons that fail to meet certain certification, reporting or related requirements. The term "foreign passthru payment" is not yet defined. The Issuer is 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. The IGA between the United States and Sweden (the *"U.S.-Sweden IGA"*) has been implemented in Swedish legislation through, *inter alia*, the Swedish Act on identification of reportable accounts with reference to the intergovernmental agreement regarding FATCA between the United States and Sweden (Sw. *Lag (2015:62) om identifiering av rapporteringspliktiga konton med anledning av FATCA-avtalet)* (the *"Swedish FATCA Act"*). Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the 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 the Notes, proposed regulations have been issued that provide that 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. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until the issuance of final regulations. Additionally, Notes that are 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 filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. However, if additional notes (as described under Condition 15 of the Terms and Conditions of the Notes) 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 the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

## GENERAL INFORMATION

### Authorisation

The update of the Programme and the issue of Notes have been duly authorised by resolutions of the Board of Directors of the Issuer passed on 27 April 2022.

### Listing of Notes on the Official List

It is expected that each Tranche of Notes which is to be admitted to the Official List and to trading on the Regulated Market will be admitted separately as and when issued, subject only to the issue of a Global Note or Notes initially representing the Notes of such Tranche. Application has been made to Euronext Dublin for Notes issued under the Programme to be admitted to the Official List and to the Regulated Market. The listing of the Programme in respect of the Notes is expected to be granted on or around 1 November 2022.

### Listing Agent

Arthur Cox Listing Services Limited (the *"Listing Agent"*) is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on the Regulated Market for the purposes of the Prospectus Regulation.

### Documents Available

For the period of 12 months from the date of this Offering Circular, copies of the following documents will, when published, be available in electronic form from the registered office of the Issuer and from the specified offices of the Paying Agents for the time being in London and Luxembourg:

(i) the Articles of Association of the Issuer (with an English translation thereof);

(ii) the Annual Report 2020 and Annual Report 2021 (in each case with an English translation thereof);

(iii) the 2022 Third Quarter Interim Report (with an English translation thereof);

(iv) a copy of this Offering Circular;

(v) the Agency Agreement (which includes the forms of the Global Notes, Notes in definitive form, Coupons and Talons), the Deed of Covenant, the Deed Poll and the Issuer-ICSDs Agreement; and

(vi) any future offering circulars, prospectuses, information memoranda and supplements to this Offering Circular, any other documents incorporated herein or therein by reference and any Final Terms and Pricing Supplements (save that Pricing Supplements relating to Exempt Notes will only be available for inspection by a holder of such Notes and such holder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of Notes and identity).

The Issuer confirms that each of the documents referred to in (i), (ii) and (iii) above is a direct and accurate translation from the Swedish original. Each of the documents listed under (i)-(iv) and (vi) above are available on the Issuer's website at https://www.sbab.se/1/in_english.html.

Copies of the VPS Trustee Agreement and each VPS Agency Agreement will be available for inspection at the registered office of the Issuer, the specified office of each respective VPS Agent and at the registered office of the VPS Trustee and are available on the Issuer's website at www.sbab.se/1/in_english.html.

In addition, copies of this Offering Circular, any supplements to this Offering Circular, any documents incorporated by reference and each Final Terms relating to Notes which are admitted to trading on the Regulated Market will also be published on the website of Euronext Dublin at *https://live.euronext.com/*. Final Terms relating to Notes which are either admitted to trading on a regulated market within the EEA other than Euronext

Dublin's regulated market or offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Regulation will be published in accordance with the Prospectus Regulation and the rules and regulations of the relevant regulated market.

**Clearing Systems**

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement). In addition, the Issuer may make an application for any Notes in registered form to be accepted for trading in book-entry form by DTC. The CUSIP and/or CINS numbers for each Tranche of such Registered Notes, together with the relevant ISIN and common code, will be specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement). If the Notes are to clear through an additional or alternative clearing system (including Sicovam and/or Euroclear Sweden AB) the appropriate information will be specified in the applicable Final Terms (or, in the case of Exempt Notes, Pricing Supplement).

VPS Notes will be registered with the VPS. Investors with accounts in Euroclear and/or Clearstream, Luxembourg may hold VPS Notes in their accounts with such clearing systems and the relevant clearing system will be shown in the records of the VPS as the holder of the relevant amount of VPS Notes.

The entities in charge of keeping the records in relation to each Tranche of Notes shall be Euroclear and/or Clearstream, Luxembourg and/or DTC and/or the VPS, as applicable. The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels; the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg; and the address of DTC is 55 Water Street, New York, NY 10041-0099, USA. The address of the VPS is Verdipapirsentralen ASA, Fred. Olsens gate 1, P.O. Box 1174 Sentrum, NO-0107, Oslo, Norway.

**Issue price**

The issue price and amount of the Notes of any Tranche will be determined at the time of the offering of such Tranche in accordance with prevailing market conditions.

**Yield**

In relation to any Tranche of Fixed Rate Notes (which are not Exempt Notes), an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

**Significant or Material Change**

There has been no significant change in the financial performance or financial position of the SBAB Group since 30 September 2022 and there has been no material adverse change in the prospects of the Issuer since 31 December 2021.

**Litigation**

There are no, and have not been any, governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this Offering Circular which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer and/or the SBAB Group.

## Auditors

The financial statements of the Issuer in respect of the financial year ended 31 December 2020 and 31 December 2021, respectively, were audited, without qualification, by Deloitte AB of Rehnsgatan 11, SE-113 79 Stockholm, Sweden, with Patrick Honeth as the auditor in charge.

The annual shareholder's meeting will, every year, elect one auditor or an auditing firm to audit the Issuer. The auditor shall be an authorised public accountant or a registered public accounting firm that elects an auditor in charge. At the annual shareholder's meeting held on 27 April 2022, the registered public accounting firm Deloitte AB of Rehnsgatan 11, SE-113 79 Stockholm, Sweden was re-elected as auditor. The auditor in charge is Patrick Honeth.

The above-mentioned auditor in charge is a member of FAR, the professional institute for authorised public accountants, licensed auditors for financial institutions and other highly qualified professionals in the accountancy sector in Sweden.

Each of the auditing firms referred to above has no material interest in the Issuer.

## Dealers transacting with the Issuer

The Initial Dealer and its affiliates have engaged and, together with any other Dealers appointed from time to time and their affiliates, may in the future engage in investment banking and/or commercial banking transactions with, and may perform services to, the Issuer and its affiliates in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Initial Dealer and its affiliates, and any other Dealers appointed from time to time 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. The Dealers and/or their affiliates may receive allocations of the Notes (subject to customary closing conditions), which could affect future trading of the Notes. 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. Such Dealers and/or their affiliates have received, or may in the future receive, customary fees and commissions for their participation in these transactions. Any such short 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.

## Language of this Offering Circular

The language of this Offering Circular is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

**REGISTERED AND HEAD OFFICE OF THE ISSUER**

**Svetsarvägen 24**
P.O. Box 4209
SE-171 04 Solna
Sweden

**ARRANGER**

**BofA Securities Europe SA**
51 rue La Boétie
75008 Paris
France

**PRINCIPAL PAYING AGENT**

**The Bank of New York Mellon, London Branch**
160 Queen Victoria Street
London EC4V 4LA
United Kingdom

**REGISTRAR**

**The Bank of New York Mellon, New York Branch**
240 Greenwich Street
New York, NY 10286
United States of America

**PAYING AGENT**

**The Bank of New York Mellon SA/NV Luxembourg Branch**
Vertigo Building - Polaris
2-4 rue Eugène Ruppert
L-2453 Luxembourg

**VPS TRUSTEE**

**Nordic Trustee AS**
Kronprinsesse Märthas plass 1
N-0160 Oslo
Norway

## LEGAL ADVISERS

*To the Dealers as to the laws of England*

**Linklaters LLP**
One Silk Street
London
EC2Y 8HQ
United Kingdom

*To the Issuer as to the laws of Sweden*

**Mannheimer Swartling Advokatbyrå AB**
Norrlandsgatan 21
P.O. Box 1711
SE-111 87 Stockholm
Sweden

*To the Issuer as to the laws of Norway*

**Wikborg Rein Advokatfirma AS**
Dronning Mauds gate 11
PO Box 1513 Vika
NO-0117 Oslo
Norway

## AUDITORS OF THE ISSUER

**Deloitte AB**
Rehnsgatan 11
SE-113 79 Stockholm
Sweden

## IRISH LISTING AGENT

**Arthur Cox Listing Services Limited**
Ten Earlsfort Terrace
Dublin 2
Ireland


SBAB!