



BONA VA AB (PUBL)

Securities Note relating to the listing of

SEK 200,000,000

Senior Unsecured Floating Rate Green Notes due 2024

ISIN: SE0013887973

2 July 2021

This Securities Note forms a prospectus together with the registration document prepared by Bonava AB (publ), dated 7 October 2020.

IMPORTANT NOTICE

This securities note (the "**Securities Note**") has been prepared by Bonava AB (publ), reg. no. 556928-0380, (in this Securities Note, "**Bonava**" refers to, depending on the context, Bonava AB (publ) or the group in which Bonava AB (publ) is the parent company), a public limited liability company incorporated in Sweden, having its headquarters located at the address Lindhagensgatan 72, SE- 112 18 Stockholm, Sweden, in relation to the application for listing of the SEK 200,000,000 senior unsecured floating rate green notes due 2024 with ISIN SE0013887973 issued on 10 June 2021 (the "**Notes**") on the sustainable bond list of Nasdaq Stockholm Aktiebolag, reg. no. 556420-8394, ("**Nasdaq Stockholm**"). Skandinaviska Enskilda Banken AB (publ), reg. no. 502032-9081, ("**SEB**"), and Danske Bank A/S, Danmark, Sverige Filial, reg. no. 516401-9811, ("**Danske Bank**") have acted as joint bookrunners, with SEB as issuing agent, in connection with the issue of the Notes.

This Securities Note has been approved by the SFSA as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "**Prospectus Regulation**"). The SFSA only approves this Securities Note 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 that is the subject of this Securities Note. This Securities Note has been prepared in English only and is governed by Swedish law and the courts of Sweden have exclusive jurisdiction to settle any dispute arising out of or in connection with this Securities Note. This Securities Note is available at the SFSA's website, www.fi.se, and Bonava's website, www.bonava.com.

This Securities Note forms a prospectus together with the registration document prepared by Bonava, dated as well as approved by the SFSA on 7 October 2020, with reference number 20-20894 (the "**Registration Document**"). The validity of the prospectus will expire 12 months after the approval of this Securities Note.

Unless otherwise is stated or required by context, capitalised terms defined in the terms and conditions for the Notes, dated as of 7 September 2020, (the "**Terms and Conditions**"), and included in this Securities Note, shall have the meaning given to them in the Terms and Conditions when used elsewhere in this Securities Note.

Except in case expressly stated otherwise, no information in this Securities Note has been reviewed or audited by Bonava's auditor. Certain financial and other numerical information set forth in this Securities Note has been subject to rounding and, as a result, the numerical figures shown as totals in this Securities Note may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Securities Note shall be read together with the Registration Document and all documents incorporated by reference in, and any supplements to, this Securities Note or the Registration Document. In this Securities Note, references to "SEK" refer to Swedish krona.

An investment in the Notes may not be a suitable investment for all potential investors. Each potential investor should evaluate the suitability of an investment in the Notes in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to carry out an effective evaluation of (i) the Notes, (ii) the merits and risks of investing in the Notes, and (iii) the information contained or incorporated by reference in, or any applicable supplement to, this Securities Note and/or the Registration Document;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, the investment in the Notes and the impact that such investment will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to assume all of the risks resulting from an investment in the Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the investor's own currency;
- (d) understand thoroughly the Terms and Conditions and the other Finance Documents and be familiar with the behavior of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the assistance of a financial adviser) possible scenarios relating to economic, interest rate and other factors that may affect its investment and its ability to bear the risks.

This Securities Note is not an offer for sale or a solicitation of an offer to purchase the Notes in any jurisdiction. It has been prepared solely to list the Notes on the sustainable bond list of Nasdaq Stockholm. This Securities Note may not be distributed in or into any jurisdiction where such distribution would require any additional prospectus, registration or additional measures other than those required under Swedish law, or which would otherwise conflict with the applicable rules and regulations in such jurisdiction. Persons into whose possession this Securities Note comes or persons who acquire the Notes are therefore required to inform themselves about, and to comply with such restrictions. Any failure to comply with such restrictions may result in a violation of applicable securities regulations. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the laws of any state or other jurisdiction outside Sweden. Subject to certain exemptions, the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered and sold only outside the United States to purchasers who are not, or are not purchasing for the account or benefit of, U.S. persons, in reliance on Regulation S under the Securities Act. In addition, until 40 days after the later of the commencement of the offering and the closing date, an offer or sale of the Notes within the United States by a dealer may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than pursuant to an exemption from registration under the Securities Act.

This Securities Note may contain forward-looking statements and assumptions regarding future market conditions, operations and results. Such forward-looking statements and information are based on the beliefs of Bonava's executive management or are assumptions based on information available to Bonava. The words "considers", "intends", "deems", "expects", "anticipates", "plans" and similar expressions indicate some of these forward-looking statements. Other such statements may be identified from the context. Any forward-looking statements in this Securities Note involve known and unknown risks, uncertainties and other factors which may cause the actual results, performances or achievements of Bonava to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Further, such forward-looking statements are based on numerous assumptions regarding Bonava's present and future business strategies and the environment in which Bonava will operate in the future. Although Bonava believes that the forecasts, or indications, of future results, performances and achievements are based on reasonable assumptions and expectations, they involve uncertainties and are subject to certain risks, the occurrence of which could cause actual results to differ materially from those predicted in the forward-looking statements and from past results, performances or achievements. Further, actual events and financial outcomes may differ significantly from what is described in such statements as a result of the materialisation of risks and other factors affecting Bonava's operations. Such factors of a significant nature are mentioned in the sections "*Risk factors relating to Bonava*" in the Registration Document and "*Risk factors relating to the Notes*" in the Securities Note.

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RISK FACTORS RELATING TO THE NOTES

This section describes risks which are specific to the Notes and which Bonava considers to be material when making an investment decision in relation to the Notes. The most material risk factor in a category, based on Bonava's assessment of the probability of the risk's occurrence and the expected magnitude of its adverse impact, is presented first in that category. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. Each risk factor is disclosed by rating the relevant risk, based on the probability of the risk's occurrence and the expected magnitude of its adverse impact, as low, medium or high.

Risks relating to the nature of the Notes

Risks relating to the Notes being unsecured

The Notes constitute unsecured debt obligations of Bonava. If Bonava is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, all of Bonava's secured obligations must first be satisfied, potentially leaving little or no remaining assets in Bonava for the noteholders and other unsecured creditors. As a result, there is a risk that the noteholders may not recover any or full value for the Notes, since the noteholders would receive payment pro rata with other unsecured non-priority creditors after any priority creditors have been paid in full. Each investor should be aware that by investing in the Notes, they risk losing the entire, or part of, its investment.

Bonava considers the probability that the risks relating to the Notes being unsecured are realised to be medium and if the risks are realised, Bonava considers the potential negative impact to be medium.

Risks relating to Bonava's dependency on subsidiaries, structural subordination and insolvency of subsidiaries

A significant part of Bonava's assets and revenues relate to Bonava's subsidiaries. Bonava is thus dependent upon receipt of sufficient income and cash flow relating to the operations of the subsidiaries. Consequently, Bonava is dependent on the subsidiaries' availability of cash and their legal ability to make dividends which may from time to time be restricted by corporate restrictions and law. Hence, there is a risk that Bonava will not receive sufficient income from its subsidiaries and investors' ability to receive payment under the terms and conditions for the Notes may be adversely affected. Furthermore, the subsidiaries are legally separated from Bonava and the subsidiaries' ability to make payments to Bonava is restricted by, among other things, the availability of funds, corporate restrictions and law. Furthermore, in the event of insolvency, liquidation or a similar event relating to one of the subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before any entity within Bonava, as a shareholder, would be entitled to any payments. Thus, the Notes are structurally subordinated to the liabilities of the subsidiaries and there is a risk that the noteholders may not recover any or full value for the Notes. Bonava and its assets may not be protected from any actions by the creditors of any subsidiary of Bonava, whether under bankruptcy law, by contract or otherwise.

Bonava considers the probability that the risks relating to Bonava's dependency on subsidiaries and structural subordination are realised to be medium and if the risks are realised, Bonava considers the potential negative impact to be medium.

Risks relating to early redemption and put options

Under the terms and conditions for the Notes, Bonava has reserved the possibility to, under certain circumstances, redeem all outstanding Notes during the period from the date falling six months before the final redemption date to the final redemption date. There is a risk that the market value of the Notes is higher than the early redemption amount and that it may not be possible for noteholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Notes and may only be able to do so at a significantly lower rate. Under the terms and conditions, the Notes are subject to prepayment at the option of each noteholder (put option) at certain events. There is, however, a risk that Bonava will not have sufficient funds at the time of such prepayment to make the required prepayment of the Notes which could adversely affect Bonava, e.g. by causing insolvency or an event of default under the terms and conditions, and thus adversely affect all noteholders and not only those that choose to exercise the option.

Bonava considers the probability that the risks relating to early redemption and put options are realised to be medium and if the risks are realised, Bonava considers the potential negative impact to be medium.

Risks relating to the admission to trading of the Notes on Nasdaq Stockholm

Risks relating to the Notes' admission to trading, liquidity and the secondary market

Bonava intends to list the Notes on the sustainable Note list of Nasdaq Stockholm at least within 60 calendar days from the issue date. However, Bonava is dependent upon the prior approval of the listing from Nasdaq Stockholm as well as the Swedish Financial Supervisory Authority approving the prospectus required for purpose of listing the Notes on Nasdaq Stockholm. There is a risk that the Notes will not be admitted to trading in time, or at all. If Bonava fails to procure listing in time, and such listing failure is not waived by the noteholders in accordance with the terms and conditions for the Notes, each noteholder have the right to request that all or some of its Notes be repurchased. If Bonava fails to procure listing within 60 days from the issue date, the noteholders will not be able to hold the Notes on an investment savings account (Sw. *ISK- or IR-konto*) which may have a potential negative tax impact for investors.

Even if the Notes are admitted to trading on the aforementioned market, active trading in the Notes does not always occur and a liquid market for trading in the Notes might not occur even if the Notes are listed. This may result in the noteholders not being able to sell their Notes when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. The liquidity and trading activities in notes are significantly lower than in e.g. shares. Lack of liquidity in the market may have a negative impact on the market value of the Notes. Further, the nominal value of the Notes may not be indicative compared to the market price of the Notes if the Notes are admitted to trading on Nasdaq Stockholm. It should also be noted that during a given time period it may be difficult or impossible to sell the Notes on reasonable terms, or at all, due to, inter

alia, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

Bonava considers the probability that the risks relating to the Notes' admission to trading, liquidity and the secondary market are realised to be medium and if the risks are realised, Bonava considers the potential negative impact to be medium.

Risks relating to debt instruments such as the Notes

Credit risk

Noteholders carry a credit risk in relation to Bonava. The noteholders' ability to receive payment under the terms and conditions for the Notes is dependent on Bonava's ability to fulfil its obligations, which in turn is largely dependent upon the performance of Bonava's business, operating result and/or financial position. An increased credit risk, or a perceived increased credit risk, may cause the value of the Notes to depreciate due to the market prescribing the Notes with a higher risk premium, which could affect the value of the Notes negatively. Another aspect of the credit risk is that a deteriorating financial position of Bonava may reduce Bonava's possibility to receive debt financing at the time of the maturity of the Notes, which could have a material adverse effect on the value of the Notes.

Bonava considers the probability that the credit risks are realised to be medium and if the risks are realised, Bonava considers the potential negative impact to be medium.

Risks relating to the interest rate structure of the Notes

The value of the Notes is dependent on a number of factors, one of the most material being interest rate levels since the Notes will carry a floating rate interest. The Notes will bear interest at a floating rate, by reference to STIBOR plus a certain margin. An increase in interest rate levels would likely cause the value of the Notes to deteriorate, and a decrease in interest rate levels would likely cause the value of the Notes to increase. Investment in the Notes involve a risk that the market value of the Notes may be adversely affected by changes in the interest rate level. Benchmark rates, such as STIBOR, have been the subject of recent international and other regulatory guidance and proposals for reform. Some of these reforms are already effective, including most of the EU regulation EU/2016/1011 (the "**Benchmark Regulation**"), which became fully effective on 1 January 2018. The Benchmark Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Any significant change to the setting or existence of STIBOR might have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes.

The terms and conditions for the Notes provide that the interest rate benchmark STIBOR, which applies for the Notes, can be replaced as set out therein, if STIBOR ceases to be calculated or administered. However, there can be no assurance that such replacement will be made in an effective manner and consequently, if STIBOR ceases to be calculated or administered, an investor in the Notes could be adversely affected.

Bonava considers the probability that the risks relating to the interest rate structure of the Notes are realised to be medium and if the risks are realised, Bonava considers the potential negative impact to be medium.

Risks relating to green notes

The Notes are defined as "green" according to Bonava's applicable green financing framework as at the first issue date (the "**Green Financing Framework**"). The Green Financing Framework, as well as market practice for green notes, may be amended and develop after the first issue date, thus affecting any of the requirements applicable to Bonava in respect of any subsequent Notes. Amendments to the Green Financing Framework after the first issue date will not affect the conditions applicable to the Notes issued as at the first issue date. Bonava's failure to comply with the Green Financing Framework does not constitute an event of default under the terms and conditions for the Notes and would not permit noteholders to exercise any early redemption rights or receive any other type of compensation for non-compliance with the Green Financing Framework. There is however a risk that a failure to comply with the Green Financing Framework could have a material adverse effect on the market value of the Notes due to investors perceiving the Notes as a less favourable investment.

Bonava considers the probability that the risks relating to green notes are realised to be low and if the risks are realised, Bonava considers the potential negative impact to be low.

STATEMENT OF RESPONSIBILITY

The issuance of the Notes was authorized by a resolution adopted by the board of directors of Bonava on 28 April 2021, and the Notes were subsequently issued on 10 June 2021.

Bonava is responsible for the information given in this Securities Note and to the best of Bonava's knowledge, the information contained in this Securities Note is in accordance with the facts and no information likely to affect its meaning has been omitted. To the extent prescribed by law, the board of directors of Bonava is responsible for the information contained in this Securities Note and to the best of the board of directors' knowledge, the information contained in this Securities Note is in accordance with the facts and no information likely to affect its meaning has been omitted.

The Securities Note has been approved by the SFSA as competent authority under Regulation (EU) 2017/1129. The SFSA only approves this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129, and such approval should not be considered as an endorsement of the quality of the Notes that are the subject of this Securities Note. Investors should make their own assessment as to the suitability of investing in the Notes.

The board of directors of Bonava confirms that, to the best of its knowledge, the information contained in this Securities Note is in accordance with the facts and this Securities Note makes no omission likely to affect its import.

2 July 2021

BONAVA AB (PUBL)
The board of directors

THE NOTES IN BRIEF

The following summary contains basic information about the Notes. It is not intended to be complete and it is subject to important limitations and exceptions. Potential investors should therefore carefully consider the information provided in the Registration Document and this Securities Note, , including any documents incorporated by reference and any supplements, before a decision is made to invest in the Notes. For a more complete understanding of the Notes, including certain definitions of terms used in this summary, please refer to the Terms and Conditions.

Issuer	Bonava AB (publ), reg. no. 556928-0380.
Type of securities	Senior unsecured floating rate green Notes.
ISIN	SE0013887973.
The aggregate amount of the Notes	SEK 200,000,000.
Nominal Amount	The Notes will have a nominal amount of SEK 1,250,000.
Number of Notes	160.
Denomination	SEK.
Issue Date	10 June 2021.
Issue Price	101.9 percent.
Interest Rate	Interest on the Notes will be paid at a rate equal to the sum of (i) the Base Rate, plus (ii) 3.50 per cent. <i>per annum</i> , where the Base Rate is initially STIBOR or, following a Base Rate Event, any reference rate replacing STIBOR in accordance with Clause 9 (<i>Replacement of Base Rate</i>) of the Terms and Conditions. However if the Interest Rate is below zero, the Interest Rate will be deemed to be zero. ¹
Interest Payment Dates	11 September, 11 December, 11 March and 11 June, of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 11 September 2021 and the last Interest Payment Date shall be the relevant Redemption Date.
Redemption	<i>Redemption at maturity:</i> Bonava shall redeem all, but not some only, of the outstanding Notes in full on the Final Maturity Date with an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity Date is not a Business Day, then the redemption shall occur on the first following Business Day.

¹ For an account of the historic development of STIBOR, please refer to www.riksbank.se/en/Interest-and-exchange-rates/search-interest-rates-exchange-rates/

Voluntary total redemption (call option): Bonava may redeem all, but not some only, of the outstanding Notes in full at any time from and including the First Call Date at an amount per Note equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest, provided that such redemption is financed in full or in part by way of Bonava issuing a Market Loan or a Schuldschein.

If Noteholders representing more than 80 per cent. of the Adjusted Nominal Amount have requested that Notes held by them are repurchased pursuant to occurrence of a Change of Control or a Listing Failure Event, Bonava may redeem all, but not some only, or the remaining outstanding Notes in full at an amount per Note equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest.

Early redemption due to illegality (call option): Bonava may redeem all, but not some only, of the outstanding Notes at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by Bonava if it is or becomes unlawful for Bonava to perform its obligations under the Finance Documents.

Mandatory repurchase due to a Change of Control Event or a Listing Failure Event (put option):

Upon the occurrence of a Change of Control Event or a Listing Failure Event, each Noteholder shall during a period of twenty (20) Business Days from the effective date of a notice from Bonava of the Change of Control Event or Listing Failure Event, as the case may be, pursuant to Clause 11.1.2 of the Terms and Conditions (after which time period such right shall lapse), have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest. However, such period may not start earlier than upon the occurrence of the Change of Control Event or the Listing Failure Event, as the case may be.

Final Maturity Date..... 11 March 2024.

Status of the Notes..... The Notes are denominated in Swedish Kronor and each Note is constituted by the Terms and Conditions. Bonava undertakes to make payments in relation to the Notes and to comply with the Terms and Conditions. By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to the Finance Documents and by acquiring Notes, each subsequent Noteholder confirms such agreement. The Notes constitute direct, general, unconditional, unsubordinated and unsecured obligations of Bonava and shall at all times rank *pari passu* and without any preference among them and at least *pari passu* with all other direct, general, unconditional, unsubordinated and unsecured obligations of Bonava, except obligations which are preferred by mandatory regulation and except as otherwise provided in the Finance Documents.

Use of Proceeds..... Bonava shall use the proceeds from the issue of the Notes, less the Transaction Costs, in accordance with the Green Financing Framework. The Green Financing Framework was adopted in 2020 and is available on Bonava's website, www.bonava.com.

Benchmark Regulation.....	As of the date of this Securities Note, the Swedish Financial Benchmark Facility, which administers STIBOR, does not appear in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (ESMA) pursuant to article 36 of the Benchmark Regulation. As far as Bonava is aware, the Swedish Financial Benchmark Facility is required to obtain authorization to operate as an approved administrator under the Benchmark Regulation. According to information published by Swedish Financial Benchmark Facility it is in the process of preparing for authorisation and intends to lodge an application to the Swedish Financial Supervisory Authority during 2021.
Transfer restrictions.....	The Notes are freely transferable, but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local regulation to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
Listing.....	Application has been made to list the Notes on the sustainable bond list of Nasdaq Stockholm.
Listing costs.....	The aggregate cost for the Notes' admission to trading is estimated not to exceed SEK 100,000.
Clearing and settlement....	The Notes are connected to the account- based system of Euroclear Sweden AB (" Euroclear Sweden "). No physical notes have been issued. Payment of principal, interest and, if applicable, withholding tax will be made through Euroclear Sweden's book-entry system.
Agent.....	Nordic Trustee & Agency AB (publ). Investors may have free access to the contracts relating to these forms of representation, i.e. the Terms and Conditions, on the Agent's website, www.nordictrustee.com .
Issuing Agent.....	Skandinaviska Enskilda Banken AB (publ) and thereafter each other party appointed as Issuing Agent in accordance with these Terms and Conditions and the CSD Regulations.
Joint Bookrunners.....	Skandinaviska Enskilda Banken AB (publ) and Danske Bank A/S, Danmark, Sverige Filial.
Governing law and jurisdiction.....	The Notes have been created under Swedish law. The Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden. Bonava submits to the non-exclusive jurisdiction of the City Court of Stockholm (<i>Sw. Stockholms tingsrätt</i>).
Risk factors.....	Investing in the Notes involves substantial risks and prospective investors should refer to the sections " <i>Risk factors relating to Bonava</i> " in the Registration Document and " <i>Risk factors relating to Notes</i> " in this Securities Note for a description of certain factors that they should carefully consider before deciding to invest in the Notes.

OTHER INFORMATION

Board of directors

As of the date of this Securities Note, Bonava's board of directors comprises six members: Mats Jönsson (chairman), Viveca Ax:son Johnson, Åsa Hedenberg, Angela Langemar Olsson, Frank Roseen, and Per-Ingemar Persson.

Certain material interests

SEB and Danske Bank, and/or its affiliates, have engaged in, and may in the future engage in, investment banking and/or commercial banking or other services for Bonava in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of SEB and/or Danske Bank, and/or its affiliates, having previously engaged, or engaging in future, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Credit rating

No credit rating has been assigned to the Notes.

TERMS AND CONDITIONS OF THE NOTES



TERMS AND CONDITIONS FOR

BONAVA AB (publ)

UP TO SEK 2,000,000,000

SENIOR UNSECURED FLOATING RATE GREEN NOTES

ISIN: SE0013887973

No action is being taken that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of this document or any other material relating to the Issuer or the Notes in any jurisdiction other than Sweden, where action for that purpose is required. Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, any applicable restrictions.

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1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

In these terms and conditions (the "**Terms and Conditions**"):

"**Account Operator**" means a bank or other party duly authorised to operate as an account operator pursuant to the Financial Instruments Accounts Act and through which a Noteholder has opened a Securities Account in respect of its Notes.

"**Accounting Principles**" means the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC as applied by the Issuer in preparing its annual consolidated financial statements.

"**Adjusted Nominal Amount**" means the Total Nominal Amount less the Nominal Amount of all Notes owned by a Group Company, irrespective of whether such person is directly registered as owner of such Notes.

"**Adjustment Spread**" means a spread (which may be positive or negative), formula or methodology for calculating a spread, to be applied to the Successor Base Rate or Alternative Base Rate in order to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one party to another as a result of the replacement of a Base Rate with a Successor Base Rate or an Alternative Base Rate, as the case may be, and which:

- (a) in the case of a Successor Base Rate, is formally recommended in relation to the replacement of the applicable Base Rate with the relevant Successor Base Rate by any Relevant Nominating Body;
- (b) in the case of a Successor Base Rate for which no formal recommendation has been made or in the case of an Alternative Base Rate:
 - (i) the Independent Adviser (after having consulted the Issuer) determines to be customarily applied to the relevant Successor Base Rate or Alternative Base Rate (as applicable), to achieve a replacement rate for the applicable Base Rate accepted in the Stockholm market for similar notes as the Notes;
 - (ii) if no determination may be made pursuant to sub-paragraph (b)(i), the Independent Adviser determines to be recognised or acknowledged as being the industry standard for over-the-counter derivative transaction which reference the applicable Base Rate, where such Base Rate has been replaced by the relevant Successor Base Rate or Alternative Base Rate; or
 - (iii) if no determination may be made pursuant to sub-paragraphs (b)(i) or (b)(ii) above, the Independent Adviser in its discretion (acting in good faith), determines to be appropriate.

"Agency Agreement" means the agency agreement entered into on or before the First Issue Date, between the Issuer and the Agent, or any replacement agency agreement entered into after the First Issue Date between the Issuer and an agent.

"Agent" means Nordic Trustee & Agency AB (publ), Swedish Reg. No. 556882-1879, or another party replacing it, as Agent, in accordance with these Terms and Conditions.

"Alternative Base Rate" means the rate that the Independent Adviser determines has replaced the applicable Base Rate in customary market usage in the relevant debt capital markets for the purposes of determining rates of interest in respect of Notes denominated in SEK and of a comparable duration to the relevant Interest Period, or, if the Independent Adviser determines that there is no such rate, such other rate as the Independent Adviser determines in its sole discretion is most comparable to the applicable Base Rate.

"Balance Sheet" means, at any time, the balance sheet forming part of the latest consolidated financial statements of the Issuer delivered in accordance with paragraph (a) of Clause 11.1.1.

"Base Rate" means STIBOR or, following the occurrence of a Base Rate Event, any benchmark rate replacing STIBOR in accordance with Clause 9 (*Replacement of Base Rate*).

"Base Rate Amendments" has the meaning set forth in Clause 9.3.2.

"Base Rate Determination Date" has the meaning set forth in Clause 9.2.1(a).

"Base Rate Event" means that:

- (a) the applicable Base Rate has ceased to be published for at least five (5) consecutive Business Days as a result of such benchmark rate ceasing to be calculated or administered;
- (b) the applicable Base Rate has ceased to exist;
- (c) the administrator of the applicable Base Rate has made a public statement or publication of information announcing that it will cease to publish the applicable Base Rate permanently or indefinitely and, at that time, no successor administrator has been appointed to continue to publish the Base Rate;
- (d) the supervisor of the administrator of the applicable Base Rate has made a public statement or publication of information recommending the usage of a Successor Base Rate for the applicable Base Rate; or
- (e) it has become unlawful for the Agent, the Issuer or the Issuing Agent to calculate any payments due to be made to any Noteholder using the applicable Base Rate,

provided that in the case of paragraphs (c) to (d) above, the Base Rate Event shall be deemed to occur on the date of the cessation of publication of the applicable Base Rate, the discontinuation of the applicable Base Rate or the prohibition of use of the applicable Base Rate and not on the date of the relevant public statement or announcement.

"Business Day" means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year's Eve (Sw. *nyårsafton*) shall for the purpose of this definition be deemed to be public holidays.

"Business Day Convention" means the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day.

"Change of Control Event" means the occurrence of an event or series of events whereby (i) any person or group of persons (other than Nordstjernan AB) acting in concert directly or indirectly acquires, beneficial ownership or other control of shares in the Issuer to which attach more than fifty (50) per cent. of the voting rights attaching to all of the issued share capital of the Issuer at that time, (ii) the shares of the Issuer cease to be listed on the Nasdaq Stockholm exchange, or (iii) trading of the shares of the Issuer on the Nasdaq Stockholm exchange is suspended for a period of fifteen (15) consecutive Business Days.

"Compliance Certificate" has the meaning set forth in Clause 10.3.

"CSD" means the Issuer's central securities depository and registrar in respect of the Notes, Euroclear Sweden AB, Swedish Reg. No. 556112-8074, P.O. Box 191, 101 23 Stockholm, Sweden, or another party replacing it, as CSD, in accordance with these Terms and Conditions.

"CSD Regulations" means the CSD's rules and regulations applicable to the Issuer, the Agent and the Notes from time to time.

"Debt Register" means the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Notes in which (i) an owner of Notes is directly registered or (ii) an owner's holding of Notes is registered in the name of a nominee.

"EBITDA" means, in respect of any Relevant Period, the consolidated net profit of the Group:

- (a) adding back any amount of tax on profits, interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any Group Company and deducting any amount of tax, interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance income whether received, receivable or capitalised, in each case (calculated on a consolidated basis) in respect of that Relevant Period;
- (b) not including any accrued interest owing to any Group Company;
- (c) after adding back any amount attributable to the amortisation, depreciation or impairment of assets of members of the Group;
- (d) before taking into account any Non-Recurring Items;
- (e) before taking into account the Transaction Costs;

- (f) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests if included in the consolidated net profit of the Group;
- (g) after deducting the amount of any profit (or adding back the amount of any loss) of the Group's share of the profits or losses (after finance costs and tax) of non-group entities in the form of associated companies or joint ventures;
- (h) adding any cash dividends received from, and deducting any cash contributions paid to, non- group entities in the form of associated companies or joint ventures in respect of any Relevant Period if not already added or deducted when determining EBITDA;
- (i) before taking into account any unrealised gains or losses on any financial instrument (other than any derivative instrument which is accounted for on a hedge accounting basis); and
- (j) before taking into account any gain or loss arising from an upward or downward revaluation of any other asset,

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining the consolidated net profit of the Group.

"Equity" means, at any Test Date, the fully paid up share capital, shareholders contributions and other forms of unrestricted or restricted equity including any amount attributable to minority interests as shown in the Balance Sheet.

"Equity Ratio" means Equity to Total Assets.

"Event of Default" means an event or circumstance specified in Clause 14.1.

"Excluded Debt" means all liabilities of an interest bearing nature (both current and long term) in the consolidated balance sheet of the Group that is owed by Swedish tenant-owner associations (Sw. *Bostadsrättsföreningar*), Norwegian housing cooperation (No. *borettslag*) or Finnish Housing Companies (Fi. *Asunto-osakeyhtiö*, Sw. *Bostadsaktiebolag*).

"Final Maturity Date" means the date falling 3.5 years after the First Issue Date.

"Finance Documents" means these Terms and Conditions and any other document designated by the Issuer and the Agent as a Finance Document.

"Finance Lease" means any lease or hire purchase contract which would, in accordance with the Accounting Principles be treated as a balance sheet liability (other than a lease or hire purchase contract which would, in accordance with the Accounting Principles in force prior to 1 January 2019, have been treated as an operating lease).

"Financial Indebtedness" means any indebtedness for or in respect of:

- (a) moneys borrowed;

- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) any Finance Lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);
- (h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above,
- (j) but shall not include indebtedness of the description in paragraphs (a) to (i) above outstanding between the Issuer and a Subsidiary of the Issuer or between one Subsidiary of the Issuer and another Subsidiary of the Issuer.

"Financial Instruments Accounts Act" means the Swedish Central Securities Depositories and Financial Instruments Accounts Act (*Sw. lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

"First Call Date" means the date falling six (6) months before the Final Maturity Date.

"First Issue Date" means 11 September 2020.

"Force Majeure Event" has the meaning set forth in Clause 24.1.

"Green Financing Framework" means the Issuer's green financing framework, as worded on the First Issue Date.

"Group" means the Issuer and its Subsidiaries from time to time (each a **"Group Company"**).

"Incurrence Test" means the incurrence test set out in Clause 13.1.

"Independent Adviser" means an independent financial institution of repute in the debt capital markets where the Base Rate is commonly used or other independent financial adviser experienced in the debt capital markets where the Base Rate is commonly used, in each case appointed by the Issuer at its own expense.

"Initial Notes" means the Notes issued on the First Issue Date.

"Insolvent" means, in respect of a relevant person, that it is deemed to be insolvent, or admits inability to pay its debts as they fall due, in each case within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (Sw. *konkurslagen (1987:672)*) (or its equivalent in any other relevant jurisdiction).

"Interest" means the interest on the Notes calculated in accordance with Clauses 8.1 to 8.3.

"Interest Cover Ratio" means the ratio of EBITDA to Net Financial Expenses.

"Interest Payment Date" means 11 September, 11 December, 11 March and 11 June of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 11 December 2020 and the last Interest Payment Date shall be the relevant Redemption Date.

"Interest Period" means (i) in respect of the first Interest Period, the period from (but excluding) the First Issue Date to (and including) the first Interest Payment Date, and (ii) in respect of subsequent Interest Periods, the period from (but excluding) an Interest Payment Date to (and including) the next succeeding Interest Payment Date (or a shorter period if relevant).

"Interest Rate" means the aggregate of the Base Rate, the Margin and the Adjustment Spread (if any). For the avoidance of doubt, if any such total rate is below zero then the Interest Rate will be deemed to be zero.

"Issue Date" means the First Issue Date and each other date on which Notes are to be issued pursuant to these Terms and Conditions, as agreed between the Issuing Agent and the Issuer.

"Issuer" means Bonava AB (publ), a public limited liability company incorporated under the laws of Sweden with Reg. No. 556928-0380.

"Issuing Agent" means, initially, Skandinaviska Enskilda Banken AB (publ) and thereafter each other party appointed as Issuing Agent in accordance with these Terms and Conditions and the CSD Regulations.

"Listing Failure Event" means:

- (a) that the Initial Notes are not listed on the sustainable or corporate bond list of Nasdaq Stockholm within sixty (60) days following the First Issue Date,

- (b) that any Subsequent Notes are not listed on the sustainable or corporate bond list of Nasdaq Stockholm within sixty (60) days following their Issue Date, and
- (c) in the case of a successful admission, that a period of sixty (60) days has elapsed since the Notes ceased to be listed on the sustainable or corporate bond list of Nasdaq Stockholm,

or, if such admission to trading is not possible to obtain or maintain or if the Issuer determines in its reasonable discretion that a different Regulated Market should be preferred, admitted to trading on another Regulated Market.

"Margin" means 3.50 per cent. per annum.

"Market Loans" means bonds, notes or other debt securities (however defined), which are or can be quoted, listed, traded or otherwise admitted to trading on a Regulated Market, or an organised trading facility (as defined in Directive 2014/65/EU on markets in financial instruments).

"Net Financial Expenses" means, for any Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of Financial Indebtedness paid or payable by any Group Company (calculated on a consolidated basis) in respect of that Relevant Period:

- (a) excluding any upfront fees relating to any Permitted Financial Indebtedness;
- (b) including the interest (but not the capital) element of payments in respect of Finance Leases;
- (c) including any commission, fees, discounts and other finance payments payable by (and deducting any such amounts payable to) any Group Company under any interest rate hedging arrangement;
- (d) not including any fees paid to banks or credit insurance companies for project related guarantee, which are reported as project costs;
- (e) taking into account any unrealised gains or losses on any financial instruments (not including any derivative instruments which is accounted for on a hedge accounting basis);
- (f) after deducting any interest payable in that Relevant Period to any Group Company (other than by another Group Company); and
- (g) excluding any prepayment fee or premium paid by the Issuer in respect of any repurchase of Notes pursuant to Clause 10.2 (*Purchase of Notes by the Issuer*).

"New Debt" means Financial Indebtedness as set out in paragraph (k) of the definition of "Permitted Financial Indebtedness".

"Non-Recurring Items" means any cost or income of a non-recurring nature or restructuring cost in any consolidated financial statements of the Issuer and in relation to costs not exceeding five (5) per cent. of EBITDA (before adjusting for Non-Recurring Items in accordance with paragraph (d) of the definition of EBITDA) for the Relevant Period.

"Note" means a debt instrument (*Sw. skuldförbindelse*) for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Financial Instruments Accounts Act and which are governed by and issued under these Terms and Conditions, including the Initial Notes and any Subsequent Notes.

"Noteholder" means the person who is registered on a Securities Account as direct registered owner (*Sw. direktregistrerad ägare*) or nominee (*Sw. förvaltare*) with respect to a Note.

"Noteholders' Meeting" means a meeting among the Noteholders held in accordance with Clauses 16.1 (*Request for a decision*), 16.2 (*Convening of Noteholders' Meeting*) and 16.4 (*Majority, quorum and other provisions*).

"Permitted Disposals" means a disposal:

- (a) made in the ordinary course of business of the disposing entity;
- (b) of assets in exchange for other assets comparable or superior as to type, value and quality;
- (c) of any asset to another Group Company;
- (d) of obsolete or redundant asset or assets which are no longer required for the operation of its business; or
- (e) where the higher of the market value and consideration receivable (when aggregated with the higher of the market value and consideration for any other disposal made during the lifetime of the Notes and not allowed under the preceding sub-paragraphs) is less than twenty-five (25) per cent., or such higher percentage as approved by the Noteholders, of the Total Assets of the Group.

"Permitted Financial Indebtedness" means:

- (a) any Financial Indebtedness contemplated by or arising under the Finance Documents;
- (b) any Financial Indebtedness arising under:
 - (i) the Issuer's existing revolving credit facility or any Financial Indebtedness incurred in connection with the refinancing of such facility; and/or
 - (ii) any Financial Indebtedness arising under any commercial paper programme, in a total aggregate amount of outstanding Financial Indebtedness up to SEK 3,000,000,000 at any time;

- (c) any Financial Indebtedness arising under the Issuer's existing term loan facilities in an aggregate amount of approximately SEK 2,819,000,000 (or the equivalent amount in other currencies) or any Financial Indebtedness incurred in connection with the refinancing of such facilities;
- (d) any Financial Indebtedness arising under the Issuer's existing overdraft facilities in an aggregate amount of SEK 1,532,000,000 (or the equivalent in other currencies) or any Financial Indebtedness incurred in connection with the refinancing of such facilities;
- (e) any Financial Indebtedness owed by a Group Company to another Group Company;
- (f) any Financial Indebtedness of any person acquired by a Group Company which becomes a Group Company, which is incurred after the date of the First Issue Date and existing at the date of acquisition and to the extent that such Financial Indebtedness has not been incurred or increased in contemplation of, or since, the acquisition, and such Financial Indebtedness is repaid within nine months from the date of acquisition;
- (g) any Financial Indebtedness incurred by any Group Company incorporated in Russia due to or in connection with a Shared Construction Agreement, provided that the aggregate amount of all such Financial Indebtedness does not exceed four (4) per cent. of the Group's Total Assets;
- (h) any Project Debt on a non-recourse basis;
- (i) any Excluded Debt;
- (j) Financial Indebtedness which constitutes Permitted Loans or Guarantees;
- (k) incurred by the Issuer or any Group Company after the First Issue Date, provided that it complies with the Incurrence Test if tested pro forma immediately after the incurrence of such new Financial Indebtedness, and such Financial Indebtedness:
 - (i) is incurred as a result of issuance of Subsequent Notes;
 - (ii) ranks *pari passu* with the obligations of the Issuer under the Finance Documents; or
 - (iii) is subordinated to the obligations of the Issuer under the Finance Documents, or
- (l) any Financial Indebtedness under a bridge to bond facility agreement dated 30 March 2020 in an aggregate amount of approximately SEK 1,000,000,000 to be prepaid by the proceeds from the Initial Notes; or
- (m) Financial Indebtedness of any Group Company (other than the Issuer) where the aggregate amount of all such Financial Indebtedness for all Group Companies (other than the Issuer) does not exceed four (4) per cent. of the Group's Total Assets.

"Permitted Loans or Guarantees" means any loans, credits, guarantee or indemnity made, granted or given:

- (a) in the ordinary course of business of the relevant Group Company (for the avoidance of doubt, any vendor financing arrangements (such as vendor notes, earn-outs or similar arrangements) entered into by a Group Company in connection with a sale, transfer or other disposal of a real estate (or shares in a Group Company holding such real estate) shall be deemed to be in the ordinary course of business);
- (b) by any Group Company to or for the benefit of any Group Company or in respect of the obligations of any Group Company;
- (c) by any Group Company to or for the benefit of any member of a Swedish tenant-owner association (*Sw. Bostadsrättsföreningar*) which are or have been a Group Company;
- (d) by any Group Company in the form of a guarantee or counter-indemnity to any financial institution or insurer which, on behalf of the Group Company, provides guarantees or security for the benefit of any member of a Swedish tenant-owner association (*Sw. Bostadsrättsföreningar*) which are or have been a Group Company;
- (e) in the form of deposits on bank accounts and investments in cash and cash equivalents;
- (f) by Bonava Oslo AS (org. no. 946 810 207) in the amount of NOK 50,000,000 to guarantee obligations of a joint venture Solberg Øst Tomteutvikling AS (org.no. 919 553 146) under its financing agreement (the "**Solberg Facility**"); or
- (g) for a sum which in aggregate at any time amounts to less than SEK 150,000,000 or its equivalent.

"Permitted Security" means:

- (a) any Security in respect of Project Debt on a non-recourse basis;
- (b) any Security in respect of Excluded Debt;
- (c) any lien arising by operation of law in the ordinary course of business;
- (d) any Security granted by any Group Company incorporated in Russia due to or in connection with a Shared Construction Agreement;
- (e) any Security, netting or set-off arrangement entered into by any Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of Group Companies;
- (f) any Security arising over any bank accounts held with or documents of title deposited with any bank or financial institution under the general business conditions of such bank or financial institution;

- (g) any Security on an asset, or an asset of any person, acquired by a Group Company after the First Issue Date, provided that such Security is released within nine months from the date of acquisition and to the extent that the principal amount secured by that Security has not been incurred or increased in contemplation of, or since, the acquisition;
- (h) the share security granted by Bonava Oslo AS (org. no. 946 810 207), over the shares owned by it in Solberg Øst Tomteutvikling AS (org.no. 919 553 146) to secure obligations under the Solberg Facility;
- (i) any Security securing indebtedness the amount of which (when aggregated with the amount of any other indebtedness which has the benefit of a Security other than any Security referred to above) does not exceed two (2) per cent. of the Total Assets of the Group or its equivalent at any time; or
- (j) created for the benefit of the providers of financing for the refinancing of the Notes in full.

"Project Company" means a Group Company which is a company whose principal assets and business are constituted by the ownership, acquisition, development and/or operation of an asset or project.

"Project Debt" means any Financial Indebtedness incurred by a Project Company in relation to any asset or project solely for the purposes of financing the whole or any part of the acquisition, creation, construction or development of such asset or project, to the extent that the financial institutions to which such Financial Indebtedness is owed have recourse solely to the assets of that Project Company or to the shares of that Project Company.

"Quotation Day" means, in relation to any period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

"Record Date" means the fifth (5) Business Day prior to (i) an Interest Payment Date, (ii) a Redemption Date, (iii) a date on which a payment to the Noteholders is to be made under Clause 15 (*Distribution of proceeds*), (iv) the date of a Noteholders' Meeting, or (v) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

"Redemption Date" means the date on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and repurchase of the Notes*).

"Reference Banks" means Skandinaviska Enskilda Banken AB (publ) and Danske Bank A/S, Danmark, Sverige Filial (or such other banks as reasonably selected by the Issuing Agent).

"Regulated Market" means any regulated market (as defined in Directive 2014/65/EU on markets in financial instruments).

"Relevant Nominating Body" means in relation to the applicable Base Rate:

- (a) the administrator of the Base Rate, or any entity under the common control as the administrator of the Base Rate;
- (b) the central bank for the currency to which the Base Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Base Rate; or
- (c) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the central bank for the currency which the Base Rate relates, (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the Base Rate, (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Council (Sw. *Finansiella stabilitetsrådet*).

"Relevant Period" means each period of twelve months ending on a Test Date.

"Securities Account" means the account for dematerialised securities (Sw. *avstämningsregister*) maintained by the CSD pursuant to the Financial Instruments Accounts Act in which (i) an owner of such security is directly registered or (ii) an owner's holding of securities is registered in the name of a nominee.

"Security" means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

"Shared Construction Agreement" means an agreement governed by the laws of Russia between a customer and a developer in respect of building of residential apartments and acceptance of such residential apartments.

"STIBOR" means:

- (a) the applicable percentage rate per annum displayed on Nasdaq Stockholm's website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor and for a period equal to the relevant Interest Period;
- (b) if no rate as described in (a) is available for the relevant Interest Period, the rate determined by the Issuing Agent by interpolation between the two closest rates displayed on Nasdaq Stockholm's website for STIBOR fixing (or through another website replacing it) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor;
- (c) if no rate as described in (b) is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by the Reference Banks, for deposits of SEK 100,000,000 for the relevant period; or

- (d) if no quotation is available pursuant to paragraph (c) (other than due to a Base Rate Event), the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period.

"**Subsequent Notes**" means any Notes issued after the First Issue Date on one or more occasions.

"**Subsidiary**" means, in relation to any person, any Swedish or foreign legal entity (whether incorporated or not), which at the time is a subsidiary (*Sw. dotterföretag*) to such person, directly or indirectly, as defined in the Swedish Companies Act (*Sw. aktiebolagslagen (2005:551)*).

"**Successor Base Rate**" means the benchmark rate that an Independent Adviser determines is a successor to or the replacement of the applicable Base Rate and which is formally designated, nominated or recommended by a Relevant Nominating Body.

"**Swedish Kronor**" and "**SEK**" means the lawful currency of Sweden.

"**Test Date**" has the meaning given to that term in paragraph 13.2 (a).

"**Total Assets**" means total assets as shown in the Balance Sheet.

"**Total Nominal Amount**" means the total aggregate Nominal Amount of the Notes outstanding at the relevant time.

"**Transaction Costs**" means all fees, costs and expenses incurred by a Group Company in connection with (i) the issuance of Notes, and (ii) the listing of Notes.

"**Written Procedure**" means the written or electronic procedure for decision making among the Noteholders in accordance with Clauses 16.1 (*Request for a decision*), 16.3 (*Instigation of Written Procedure*) and 16.4 (*Majority, quorum and other provisions*).

1.2 Construction

1.2.1 Unless a contrary indication appears, any reference in these Terms and Conditions to:

- (a) "**assets**" includes present and future properties, revenues and rights of every description;
- (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (c) a "**regulation**" includes any law, regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

(d) a provision of regulation is a reference to that provision as amended or re-enacted; and

(e) a time of day is a reference to Stockholm time.

1.2.2 An Event of Default is continuing if it has not been remedied or waived

1.2.3 When ascertaining whether a limit or threshold specified in Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.

1.2.4 A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.

1.2.5 No delay or omission of the Agent or of any Noteholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

1.2.6 The selling restrictions, the privacy notice and any other information contained in this document before the table of contents section do not form part of these Terms and Conditions and may be updated without the consent of the Noteholders and the Agent.

2. STATUS OF THE NOTES

2.1 The Notes are denominated in Swedish Kronor and each Note is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Notes and to comply with these Terms and Conditions.

2.2 By subscribing for Notes, each initial Noteholder agrees that the Notes shall benefit from and be subject to the Finance Documents and by acquiring Notes, each subsequent Noteholder confirms such agreement.

2.3 The nominal amount of each Note is SEK 1,250,000 (the "Nominal Amount"). The maximum Total Nominal Amount of the Initial Notes as at the First Issue Date is SEK 1,000,000,000. All Initial Notes are issued on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.

2.4 Provided that (i) no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from the relevant issue of Subsequent Notes and (ii) that the Incurrence Test (calculated *pro forma* including such issue) is met, the Issuer may, on one or several occasions, issue Subsequent Notes. Subsequent Notes shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the interest rate, the currency, the nominal amount and the final maturity applicable to the Initial Notes shall apply to Subsequent Notes. The issue price of the Subsequent Notes may be set at the Nominal Amount, a discount or a premium compared to the Nominal Amount. The maximum Total Nominal Amount of the

Notes (the Initial Notes and all Subsequent Notes) may not exceed SEK 2,000,000,000 unless a consent from the Noteholders is obtained in accordance with Clause 16.4.2 (a). Each Subsequent Note shall entitle its holder to Interest in accordance with Clause 8.1, and otherwise have the same rights as the Initial Notes.

- 2.5 The Notes constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank pari passu and without any preference among them and at least pari passu with all other direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, except obligations which are preferred by mandatory regulation and except as otherwise provided in the Finance Documents.
- 2.6 The Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local regulation to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.
- 2.7 No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Notes in any jurisdiction other than Sweden, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Notes.

3. USE OF PROCEEDS

The Issuer shall use the proceeds from the issue of the Notes, less the Transaction Costs, in accordance with the Green Financing Framework.

4. CONDITIONS FOR DISBURSEMENT

- 4.1 The Issuer shall provide to the Agent, no later than 9.00 a.m. three (3) Business Days prior to the First Issue Date (or such later time as agreed by the Agent), the following:
- (a) the Finance Documents and the Agency Agreement duly executed by relevant parties;
 - (b) a copy of a resolution from the board of directors of the Issuer approving the issue of the Initial Notes, the terms of the Finance Documents and the Agency Agreement, and resolving to enter into such documents and any other documents necessary in connection therewith;
 - (c) copies of the articles of association and certificate of incorporation of the Issuer;
 - (d) evidence that the person(s) who has/have signed the Finance Documents, the Agency Agreement and any other documents in connection therewith on behalf of relevant parties are duly authorised to do so;

- (e) a form of Compliance Certificate, agreed between the Issuer and the Agent; and
 - (f) such other documents and evidence as is agreed between the Agent and the Issuer.
- 4.2 The Issuer shall provide to the Agent, no later than 9.00 a.m. three (3) Business Days prior to the Issue Date (or such later time as agreed to by the Agent) in respect of Subsequent Notes, the following:
- (a) a copy of a resolution from the board of directors of the Issuer approving the issue of the Subsequent Notes and resolving to enter into documents necessary in connection therewith;
 - (b) copies of the articles of association and certificate of incorporation of the Issuer;
 - (c) a Compliance Certificate from the Issuer confirming that (i) no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from the issue of the Subsequent Notes and (ii) that the Incurrence Test (calculated *pro forma* including such issue) is met; and
 - (d) such other documents and evidence as is agreed between the Agent and the Issuer.
- 4.3 The Agent shall confirm to the Issuing Agent when it is satisfied that the conditions in Clause 4.1 or 4.2, as the case may be have been fulfilled or amended or waived in accordance with Clause 17 (*Amendments and waivers*). The relevant Issue Date shall not occur (i) unless the Agent makes such confirmation to the Issuing Agent no later than 16.00 p.m. two (2) Business Days prior to the relevant Issue Date (or later, if the Issuing Agent so agrees), or (ii) if the Issuing Agent and the Issuer agree to postpone the relevant Issue Date.
- 4.4 Following receipt by the Issuing Agent of the confirmation in accordance with Clause 4.3, the Issuing Agent shall settle the issuance of the Notes and pay the net proceeds to the Issuer on the relevant Issue Date.

5. NOTES IN BOOK-ENTRY FORM

- 5.1 The Notes will be registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Notes will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Notes shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Noteholders and their holdings of Notes.
- 5.2 Those who according to assignment, Security, the provisions of the Swedish Children and Parents Code (*Sw. föräldrabalken (1949:381)*), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Note shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.

- 5.3 The Issuer and the Agent shall at all times be entitled to obtain information from the Debt Register. For the purpose of carrying out any administrative procedure that arises out of the Finance Documents, the Issuing Agent shall be entitled to obtain information from the Debt Register.
- 5.4 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the Debt Register. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Noteholders.
- 5.5 The Issuer and the Agent may use the information referred to in Clause 5.3 only for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and the Agency Agreement and shall not disclose such information to any Noteholder or third party unless necessary for such purposes.

6. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER

- 6.1 If any person other than a Noteholder wishes to exercise any rights under the Finance Documents, it must obtain a power of attorney or other authorisation from the Noteholder or a successive, coherent chain of powers of attorney or authorisations starting with the Noteholder and authorising such person.
- 6.2 A Noteholder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder.
- 6.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clause 6.2 and may assume that such document has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.
- 6.4 These Terms and Conditions shall not affect the relationship between a Noteholder who is the nominee (*Sw. förvaltare*) with respect to a Note and the owner of such Note, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

7. PAYMENTS IN RESPECT OF THE NOTES

- 7.1 Any payment or repayment under the Finance Documents shall be made to such person who is registered as a Noteholder on the Record Date prior to an Interest Payment Date or other relevant payment date, or to such other person who is registered with the CSD on such Record Date as being entitled to receive the relevant payment, repayment or repurchase amount.

- 7.2 If a Noteholder has registered, through an Account Operator, that principal, interest or any other payment shall be deposited in a certain bank account, such deposits will be effected by the CSD on the relevant payment date. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effect payments as aforesaid, the Issuer shall procure that such amounts are paid to the persons who are registered as Noteholders on the relevant Record Date as soon as possible after such obstacle has been removed.
- 7.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue in accordance with Clause 8.4 during such postponement.
- 7.4 If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a person not entitled to receive such amount.
- 7.5 The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

8. INTEREST

- 8.1 Each Initial Note carries Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the First Issue Date up to (and including) the relevant Redemption Date. Any Subsequent Note will carry Interest at the Interest Rate applied to the Nominal Amount from (but excluding) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (and including) the relevant Redemption Date.
- 8.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.
- 8.3 Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).
- 8.4 If the Issuer fails to pay any amount payable by it under the Terms and Conditions on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate which is two (2) per cent. higher than the Interest Rate. The default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

9. REPLACEMENT OF BASE RATE

9.1 General

Any determination to be made by or any changes to these Terms and Conditions to be specified by the Independent Adviser in accordance with the provisions of this Clause 9 shall at all times be made by such Independent Adviser or the Issuer (as applicable) acting in good faith.

9.2 Determination of Base Rate

9.2.1 If a Base Rate Event has occurred:

- (a) the Issuer shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine, no later than five (5) Business Days prior to the relevant Quotation Day in relation to the next succeeding Interest Period (the "**Base Rate Determination Date**"), a Successor Base Rate or (if there is no Successor Base Rate) an Alternative Base Rate for purposes of determining the applicable Base Rate for the next succeeding Interest Period; and
- (b) subject to any subsequent adjustments pursuant to this Clause 9, if a Successor Base Rate or an Alternative Base Rate is determined in accordance with paragraph (a) above, such Successor Base Rate or Alternative Base Rate shall be the Base Rate for each of the future Interest Periods, *provided that* if an Alternative Base Rate is determined in accordance with paragraph (a) above and a Successor Base Rate is subsequently determined, the Successor Base Rate shall apply from and including the next succeeding Interest Period.

9.2.2 If Clause 9.2.1 above applies and no Independent Adviser is able to determine a Successor Base Rate or an Alternative Base Rate prior to the relevant Base Rate Determination Date, the Base Rate applicable to the next succeeding Interest Period shall be equal to the Base Rate last determined for the preceding Interest Period.

9.2.3 If an Independent Adviser (in consultation with the Issuer) determines that an Adjustment Spread is required to be applied to the applicable Successor Base Rate or the Alternative Base Rate, such Adjustment Spread shall be applied.

9.3 Variation upon replacement of Base Rate

9.3.1 If the Independent Adviser determines a Successor Base Rate, an Alternative Base Rate or an Adjustment Spread in accordance with Clause 9.2 (*Determination of Base Rate*), the Independent Adviser may also determine that amendments to the Finance Documents are required to ensure the proper operation of such Successor Base Rate, Alternative Base Rate or Adjustment Spread.

9.3.2 The Issuer and the Agent shall, at the request and expense of the Issuer, but subject to receipt by the Agent of the certificate referred to in Clause 9.3.4, without the requirement for any consent or approval of the Noteholders, effect such amendments to these Terms and Conditions as may be required by the Issuer in order to give effect to this Clause 9, such amendments referred to as "**Base Rate Amendments**".

- 9.3.3 The Agent shall not be obliged to agree to any Base Rate Amendments if in the opinion of the Agent, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent in the Finance Documents.
- 9.3.4 The Issuer shall promptly following the determination of any Successor Base Rate or Alternative Base Rate and any Base Rate Amendments give notice thereof to the Agent and the Noteholders in accordance with Clause 23 (*Communications and press releases*). No later than giving the Agent such notice, the Issuer shall deliver to the Agent a certificate signed by authorised signatories of the Issuer:
- (a) confirming:
 - (i) that a Base Rate Event has occurred;
 - (ii) the relevant Successor Base Rate or Alternative Base Rate;
 - (iii) the Adjustment Spread (if any); and
 - (iv) any Base Rate Amendments,in each case as determined in accordance with the provisions of this Clause 9 (*Replacement of Base Rate*); and
 - (b) certifying that the Base Rate Amendments are necessary to ensure the proper operation of such Successor Base Rate or Alternative Base Rate.
- 9.3.5 The Agent shall be entitled to rely on such certificate referred to in Clause 9.3.4 without further enquiry and without liability to any Person. The Successor Base Rate or Alternative Base Rate and any Base Rate Amendments specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Base Rate or Alternative Base Rate and any Base Rate Amendments and without prejudice to the Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Agent, the Issuing Agent and the Noteholders.

10. REDEMPTION AND REPURCHASE OF THE NOTES

10.1 Redemption at maturity

The Issuer shall redeem all, but not some only, of the outstanding Notes in full on the Final Maturity Date with an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity Date is not a Business Day, then the redemption shall occur on the first following Business Day.

10.2 Purchase of Notes by the Issuer

- 10.2.1 The Issuer may, subject to applicable regulations, at any time and at any price purchase Notes on the market or in any other way.

10.2.2 Notes held by the Issuer may at the Issuer's discretion be retained or sold but not cancelled (except on connection with a redemption of the Notes in full) by the Issuer.

10.3 Voluntary total redemption (call option)

10.3.1 The Issuer may redeem all, but not some only, of the outstanding Notes in full at any time from and including the First Call Date at an amount per Note equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest, provided that such redemption is financed in full or in part by way of the Issuer issuing a Market Loan or a Schuldschein.

10.3.2 If Noteholders representing more than 80 per cent. of the Adjusted Nominal Amount have requested that Notes held by them are repurchased pursuant to Clause 10.5, the Issuer may redeem all, but not some only, or the remaining outstanding Notes in full at an amount per Note equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest.

10.3.3 Redemption in accordance with Clauses 10.3.1 and 10.3.2 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Noteholders and the Agent, in each case calculated from the effective date of the notice. The notice from the Issuer shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior to the Record Date. Upon fulfilment of the conditions precedent (if any), the Issuer shall redeem the Notes in full at the applicable amount on the specified Redemption Date.

10.4 Early redemption due to illegality (call option)

10.4.1 The Issuer may redeem all, but not some only, of the outstanding Notes at an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest on a Redemption Date determined by the Issuer if it is or becomes unlawful for the Issuer to perform its obligations under the Finance Documents.

10.4.2 The Issuer may give notice of redemption pursuant to Clause 10.4.1 no later than twenty (20) Business Days after having received actual knowledge of any event specified therein (after which time period such right shall lapse). The notice from the Issuer is irrevocable, shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. The Issuer shall redeem the Notes in full at the applicable amount on the specified Redemption Date.

10.5 Mandatory repurchase due to a Change of Control Event or a Listing Failure Event (put option)

10.5.1 Upon the occurrence of a Change of Control Event or a Listing Failure Event, each Noteholder shall during a period of twenty (20) Business Days from the effective date of a notice from the Issuer of the Change of Control Event or Listing Failure Event, as the case may be, pursuant to Clause 11.1.2 (after which time period such right shall lapse), have the right to request that all, or some only, of its Notes be repurchased at a price per Note equal to 101 per cent. of the

Nominal Amount together with accrued but unpaid Interest. However, such period may not start earlier than upon the occurrence of the Change of Control Event or the Listing Failure Event, as the case may be.

- 10.5.2 The notice from the Issuer pursuant to Clause 11.1.2 shall specify the period during which the right pursuant to Clause 10.5.1 may be exercised, the Redemption Date and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall, or shall procure that a person designated by the Issuer will, repurchase the relevant Notes and the repurchase amount shall fall due on the Redemption Date specified in the notice given by the Issuer pursuant to Clause 11.1.2. The Redemption Date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 10.5.1.
- 10.5.3 The Issuer shall comply with the requirements of any applicable securities regulations in connection with the repurchase of Notes. To the extent that the provisions of such regulations conflict with the provisions in this Clause 10.4, the Issuer shall comply with the applicable securities regulations and will not be deemed to have breached its obligations under this Clause 10.4 by virtue of the conflict.
- 10.5.4 The Issuer shall not be required to repurchase any Notes pursuant to this Clause 10.4, if a third party in connection with the occurrence of a Change of Control Event or a Listing Failure Event offers to purchase the Notes in the manner and on the terms set out in this Clause 10.4 (or on terms more favourable to the Noteholders) and purchases all Notes validly tendered in accordance with such offer. If Notes tendered are not purchased within the time limits stipulated in this Clause 10.4, the Issuer shall repurchase any such Notes within five (5) Business Days after the expiry of the time limit.
- 10.5.5 No repurchase of Notes pursuant to this Clause 10.4 shall be required if the Issuer has given notice of a redemption pursuant to Clause 10.3 (*Voluntary total redemption (call option)*) provided that such redemption is duly exercised.

11. INFORMATION TO NOTEHOLDERS

11.1 Information from the Issuer

- 11.1.1 The Issuer shall make the following information available to the Noteholders by way of press release and by publication on the website of the Issuer:
- (a) as soon as the same become available, but in any event within four (4) months after the end of each financial year, its audited consolidated financial statements for that financial year prepared in accordance with the Accounting Principles;
 - (b) as soon as the same become available, but in any event within two (2) months after the end of each quarter of its financial year, its consolidated financial statements or

the year-end report (Sw. *bokslutskommuniké*) (as applicable) for such period prepared in accordance with the Accounting Principles;

- (c) as soon as practicable following an acquisition or disposal of Notes by the Issuer, the aggregate Nominal Amount held by the Issuer, or the amount of Notes cancelled by the Issuer; and
- (d) any other information required by the Swedish Securities Markets Act (Sw. *lag (2007:528) om värdepappersmarknaden*) and the rules and regulations of the Regulated Market on which the Notes are admitted to trading.

11.1.2 The Issuer shall immediately notify the Noteholders and the Agent upon becoming aware of the occurrence of a Change of Control Event or a Listing Failure Event. Such notice may be given in advance of the occurrence of a Change of Control Event and be conditional upon the occurrence of a Change of Control Event, if a definitive agreement is in place providing for such Change of Control Event.

11.1.3 The Issuer shall on the earlier of when the financial statements pursuant to Clause 11.1.1 (a) are made available, or (ii) should have been made available, and in connection with the incurrence of any New Debt after the First Issue Date, submit to the Agent a compliance certificate (a "**Compliance Certificate**") containing (i) a confirmation that no Event of Default has occurred (or if an Event of Default has occurred, what steps have been taken to remedy it) or, (ii) if the Compliance Certificate is supplied in connection with the issue of Subsequent Notes in accordance with Clause 2.4, a confirmation that no Event of Default is continuing or would result from the expiry of a grace period, the giving of a notice, the making of any determination (or any combination of the foregoing) or from the relevant issue of Subsequent Notes, and in each case attaching copies of any notices sent to the Regulated Market on which the Notes are admitted to trading. A Compliance Certificate provided in connection with the incurrence of any New Debt after the First Issue Date, shall in addition include figures in respect of the Incurrence Test and the basis on which it has been calculated.

11.2 Information from the Agent

11.2.1 Subject to the restrictions of any applicable law or regulation, the Agent is entitled to disclose to the Noteholders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Notes. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Noteholders delay disclosure or refrain from disclosing certain information (save for that any delay in disclosing an Event of Default shall be dealt with in accordance with Clause 14.4 and 14.5).

11.2.2 If a committee representing the Noteholders' interests under the Finance Documents has been appointed by the Noteholders in accordance with Clause 16 (*Decisions by Noteholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the reasonable opinion of such members, is beneficial to the interests of the Noteholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

11.3 Information among the Noteholders

Subject to applicable regulations, the Agent shall promptly upon a reasonable request by a Noteholder forward by post any information from such Noteholder to the Noteholders which relates to the Notes. The Agent may require that the requesting Noteholder or the Issuer reimburses any costs or expenses incurred, or to be incurred, by it in doing so (including a reasonable fee for its work).

11.4 Availability of Finance Documents

The latest version of these Terms and Conditions (including any document amending these Terms and Conditions) shall be available on the websites of the Issuer and the Agent, and the latest version of the Green Financing Framework shall be available on the website of the Issuer.

12. GENERAL UNDERTAKINGS

12.1 General

The Issuer undertakes to (and shall, where applicable, procure that each other Group Company will) comply with the undertakings set out in these Terms and Conditions for as long as any Notes remain outstanding.

12.2 Nature of Business

The Issuer shall procure that no substantial change is made to the general nature of the business carried on by the Group taken as a whole as of the First Issue Date.

12.3 Financial Indebtedness

The Issuer shall procure that neither it nor any of its Subsidiary may incur any Financial Indebtedness other than Permitted Financial Indebtedness.

12.4 Negative Pledge

The Issuer shall not, and the Issuer must ensure that no Group Company will, create or allow to exist any Security over any of its assets, other than any Permitted Security.

12.5 Disposal of assets

The Issuer may not and the Issuer must ensure that no Group Company will, either in a single transaction or in a series of transactions and whether related or not and whether voluntarily or involuntarily, sell, transfer, grant or lease or otherwise, dispose of all or any part of its assets other than any Permitted Disposal.

12.6 Mergers and Demergers

The Issuer shall not merge with any other person, or be subject to a demerger, with the effect that the Issuer is not a surviving entity.

12.7 Admission to trading

- 12.7.1 The Issuer shall (i) use its best efforts to ensure that the Initial Notes are admitted to trading on a Regulated Market within thirty (30) days after the First Issue Date and (ii) ensure that the Initial Notes are admitted to trading on a Regulated Market within twelve (12) months after the First Issue Date.
- 12.7.2 The Issuer shall use its best efforts to ensure that any Subsequent Notes are admitted to trading on a Regulated Market within sixty (60) days after the relevant Issue Date.
- 12.7.3 Following an admission to trading the Issuer shall use its best efforts to maintain it for as long as any Notes are outstanding, or if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market. The Notes are however not required to be admitted to trading on a Regulated Market from and including the last day on which the admission reasonably can, pursuant to the then applicable regulations of the Regulated Market and the CSD, subsist.

12.8 Undertakings relating to the Agency Agreement

- 12.8.1 The Issuer shall, in accordance with the Agency Agreement:
- (a) pay fees to the Agent;
 - (b) indemnify the Agent for costs, losses and liabilities;
 - (c) furnish to the Agent all information requested by or otherwise required to be delivered to the Agent (acting reasonably); and
 - (d) not act in a way which gives the Agent a legal or contractual right to terminate the Agency Agreement.
- 12.8.2 The Issuer and the Agent shall not agree to amend any provisions of the Agency Agreement without the prior consent of the Noteholders if the amendment would be materially detrimental to the interests of the Noteholders.

12.9 CSD related undertakings

The Issuer shall keep the Notes affiliated with a CSD and comply with all applicable CSD Regulations.

13. FINANCIAL UNDERTAKINGS

13.1 Incurrence Test

The Incurrence Test is met if the:

- (a) Equity Ratio is equal to or greater than twenty-five (25) per cent.; and
- (b) Interest Cover Ratio is equal to or greater than 2.00:1.

13.2 Testing of the Incurrence Test

The Incurrence Test shall be:

- (a) calculated at a testing date (each, a "**Test Date**") determined by the Issuer falling no earlier than the last day of the period covered by the most recent financial report delivered to the Agent in accordance with Clause 11.1.1 (a) and 11.1.1 (b) prior to the event in respect of which the Incurrence Test shall be made; and
- (b) (unless otherwise set out below or otherwise defined in these Terms and Conditions) calculated in accordance with the Accounting Principles, accounting practices and financial reference periods consistent with those applied in its previous financial reports (however excluding changes due to IFRS16) delivered in accordance with Clause 11.1.1 (a) and 11.1.1 (b) or made public pursuant to the terms hereof.

13.3 Adjustments

13.3.1 For the purpose of calculating EBITDA and Net Financial Expenses:

- (a) where any company or business (an "**Acquired Entity**") is acquired by any Group Company during a Relevant Period (in this paragraph (a) and paragraph (c) below referred to as the "**Relevant Acquisition Period**") and where the earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of the Acquired Entity for the immediately preceding Relevant Period is equal to or greater than five (5) per cent of EBITDA for the same Relevant Period, EBITDA for the Relevant Acquisition Period shall be adjusted by including the earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) attributable to that Acquired Entity as if it had been owned by that Group Company during the Relevant Acquisition Period;
- (b) where any company or business (a "**Disposed Entity**") is disposed of by any Group Company during a Relevant Period (in this paragraph (b) and paragraph (c) below referred to as the "**Relevant Disposal Period**") and where the earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of the Disposed Entity for the immediately preceding Relevant Period is equal to or greater than five (5) per cent of EBITDA for the same Relevant Period, EBITDA for the Relevant Disposal Period shall be adjusted by excluding the earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) attributable to that Disposed Entity as if it had been disposed of at the start of the Relevant Disposals Period; and
- (c) if EBITDA is adjusted in accordance with paragraphs (a) and/or (b) above, Net Financial Expenses will be adjusted to reflect the assumption or repayment of Financial Indebtedness relating to the acquisition or disposal of any Acquired Entity or Disposed Entity, as the case may be, as though such assumption or repayment had occurred at the start of the Relevant Acquisition Period or the Relevant Disposals Period (as

applicable) (in each case to the extent the earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) of the Acquired Entity or Disposed Entity are included or, as the case may be, excluded in accordance with this paragraphs (i) and (ii) above).

13.3.2 Further, pro forma adjustments for the purposes of calculating EBITDA, Net Financial Expenses, Total Assets and Equity on a Test Date shall be made as follows:

- (a) EBITDA will be adjusted by including the earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) attributable to each entity which will be acquired by New Debt as if it had been owned by that Group Company during the Relevant Period;
- (b) Net Financial Expenses will be adjusted to reflect the assumption of New Debt as though such assumption had occurred at the start of the Relevant Period;
- (c) Total Assets will be adjusted to reflect the assumption of those assets to be acquired with New Debt as though such assumption had occurred on that Test Date; and
- (d) Equity will be adjusted to reflect the assumption of new equity to be injected in connection with or pursuant to the assumption of New Debt as though such assumption had occurred on that Test Date.

14. ACCELERATION OF THE NOTES

14.1 The Agent is entitled to, and shall following a demand in writing from a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount (such demand shall, if made by several Noteholders, be made by them jointly) or following an instruction given pursuant to Clause 14.6, on behalf of the Noteholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Notes due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents, if:

- (a) Non-payment

The Issuer does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:

- (i) is caused by technical or administrative error; and
- (ii) is remedied within five (5) Business Days from the due date.

- (b) Other obligations

The Issuer does not comply with any terms of or acts in violation of the Finance Documents to which it is a party (other than those terms referred to in paragraph (a) above or the Green Financing Framework), unless the non-compliance:

- (i) is capable of remedy; and
- (ii) is remedied within fifteen (15) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance.

(c) Invalidity

Any Finance Document becomes invalid, ineffective or varied (other than in accordance with the provisions of the Finance Documents), and such invalidity, ineffectiveness or variation has a detrimental effect on the interests of the Noteholders.

(d) Insolvency proceedings

Any corporate action, legal proceedings or other procedure or step other than vexatious or frivolous and as disputed in good faith and discharged within 45 Business Days is taken in relation to:

- (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) of the Issuer;
- (ii) a composition, compromise, assignment or arrangement with creditors of the Issuer generally;
- (iii) the appointment of a liquidator, administrator or other similar officer in respect of the Issuer or any of its assets; or
- (iv) any step analogous to items (i) - (iii) above is taken in any jurisdiction in relation to the Issuer.

(e) Insolvency

The Issuer is, or is deemed for the purposes of any applicable regulation to be, Insolvent.

(f) Creditors' process

Any attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset of the Issuer having a value of not less than SEK 100,000,000 or its equivalent and which is not discharged within forty-five (45) days.

(g) Cross payment default and cross acceleration

Any Financial Indebtedness of any Group Company is not paid when due as extended by any originally applicable grace period or is declared to be due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph (g) if the aggregate amount of Financial Indebtedness referred to herein is less than SEK 100,000,000 or its equivalent.

- 14.2 The Agent may not accelerate the Notes in accordance with Clause 14.1 by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Noteholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).
- 14.3 The Issuer shall immediately notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice.
- 14.4 The Agent shall notify the Noteholders of an Event of Default within five (5) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. Notwithstanding the aforesaid, the Agent may postpone a notification of an Event of Default (other than in relation to payments) up until the time stipulated in Clause 14.5 for as long as, in the reasonable opinion of the Agent such postponement is in the interests of the Noteholders as a group. The Agent shall always be entitled to take the time necessary to determine whether an event constitutes an Event of Default.
- 14.5 The Agent shall, within twenty (20) Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Notes shall be so accelerated. If the Agent decides not to accelerate the Notes, the Agent shall promptly seek instructions from the Noteholders in accordance with Clause 16 (*Decisions by Noteholders*).
- 14.6 If the Noteholders instruct the Agent to accelerate the Notes, the Agent shall promptly declare the Notes due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Noteholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.
- 14.7 If the right to accelerate the Notes is based upon a decision of a court of law, an arbitral tribunal or a government authority, it is not necessary that the decision has become enforceable under any applicable regulation or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.

14.8 In the event of an acceleration of the Notes in accordance with this Clause 13, the Issuer shall redeem all Notes at an amount per Note equal to 101 per cent. of the Nominal Amount, together with accrued but unpaid Interest.

15. DISTRIBUTION OF PROCEEDS

15.1 All payments by the Issuer relating to the Notes and the Finance Documents following an acceleration of the Notes in accordance with Clause 13 (*Acceleration of the Notes*) shall be distributed in the following order of priority, in accordance with the instructions of the Agent:

- (a) *first*, in or towards payment pro rata of (i) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement and the Finance Documents (other than any indemnity given for liability against the Noteholders), (ii) other costs, expenses and indemnities relating to the acceleration of the Notes, or the protection of the Noteholders' rights as may have been incurred by the Agent, (iii) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 18.2.5, and (iv) any costs and expenses incurred by the Agent that have not been reimbursed by the Issuer in accordance with Clause 16.4.11, together with default interest in accordance with Clause 8.4 on any such amount calculated from the date it was due to be paid or reimbursed by the Issuer;
- (b) *secondly*, in or towards payment pro rata of accrued but unpaid Interest under the Notes (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);
- (c) *thirdly*, in or towards payment pro rata of any unpaid principal under the Notes; and
- (d) *fourthly*, in or towards payment pro rata of any other costs or outstanding amounts unpaid under the Finance Documents, including default interest in accordance with Clause 8.4 on delayed payments of Interest and repayments of principal under the Notes.

Any excess funds after the application of proceeds in accordance with paragraphs (a) to (d) above shall be paid to the Issuer.

15.2 If a Noteholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 15.1 (a), such Noteholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 15.1 (a).

15.3 Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Notes constitute escrow funds (*Sw. redovisningsmedel*) and must be held on a separate bank account on behalf of the Noteholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 15 as soon as reasonably practicable.

- 15.4 If the Issuer or the Agent shall make any payment under this Clause 15, the Issuer or the Agent, as applicable, shall notify the Noteholders of any such payment at least ten (10) Business Days before the payment is made. The notice from the Issuer or the Agent, as applicable, shall specify the Redemption Date and also the Record Date on which a person shall be registered as a Noteholder to receive the amounts due on such Redemption Date. Notwithstanding the foregoing, for any Interest due but unpaid, the Record Date specified in Clause 7.1 shall apply.

16. DECISIONS BY NOTEHOLDERS

16.1 Request for a decision

- 16.1.1 A request by the Agent for a decision by the Noteholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.
- 16.1.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Noteholders' Meeting or by way of a Written Procedure, as determined by the Agent. The person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.
- 16.1.3 The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Noteholders and such person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable regulations.
- 16.1.4 The Agent shall not be responsible for the content of a notice for a Noteholders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 16.1.5 Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 16.1.3 being applicable, the Issuer or the Noteholder(s) requesting a decision by the Noteholders may convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead. The Issuer or the Issuing Agent shall upon request provide the convening Noteholder(s) with the information available in the Debt Register in order to convene and hold the Noteholders' Meeting or instigate and carry out the Written Procedure, as the case may be. The Issuer or Noteholder(s), as applicable, shall supply to the Agent a copy of the dispatched notice or communication.
- 16.1.6 Should the Issuer want to replace the Agent, it may (i) convene a Noteholders' Meeting in accordance with Clause 16.2 (*Convening of Noteholders' Meeting*) or (ii) instigate a Written Procedure by sending communication in accordance with Clause 16.3 (*Instigation of Written*

Procedure). After a request from the Noteholders pursuant to Clause 18.4.3, the Issuer shall no later than ten (10) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause 16.2. The Issuer shall inform the Agent before a notice for a Noteholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.

16.1.7 Should the Issuer or any Noteholder(s) convene a Noteholders' Meeting or instigate a Written Procedure pursuant to Clause 16.1.5 or 16.1.6, then the Agent shall no later than five (5) Business Days' prior to dispatch of such notice or communication be provided with a draft thereof. The Agent may further append information from it together with the notice or communication, provided that the Agent supplies such information to the Issuer or the Noteholder(s), as the case may be, no later than one (1) Business Day prior to the dispatch of such notice or communication.

16.2 Convening of Noteholders' Meeting

16.2.1 The Agent shall convene a Noteholders' Meeting by way of notice to the Noteholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete notice from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons).

16.2.2 The notice pursuant to Clause 16.2.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) a specification of the Record Date on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (iv) a form of power of attorney, and (v) the agenda for the meeting. The reasons for, and contents of, each proposal as well as any applicable conditions and conditions precedent shall be specified in the notice. If a proposal concerns an amendment to any Finance Document, such proposed amendment must always be set out in detail. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.

16.2.3 The Noteholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days after the effective date of the notice.

16.2.4 Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person.

16.3 Instigation of Written Procedure

16.3.1 The Agent shall instigate a Written Procedure by way of sending a communication to the Noteholders as soon as practicable and in any event no later than five (5) Business Days after receipt of a complete communication from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons).

- 16.3.2 A communication pursuant to Clause 16.3.1 shall include (i) a specification of the Record Date on which a person must be registered as a Noteholder in order to be entitled to exercise voting rights, (ii) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (iii) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least ten (10) Business Days and not longer than thirty (30) Business Days from the effective date of the communication pursuant to Clause 16.3.1). The reasons for, and contents of, each proposal as well as any applicable conditions and conditions precedent shall be specified in the notice. If a proposal concerns an amendment to any Finance Document, such proposed amendment must always be set out in detail. If the voting is to be made electronically, instructions for such voting shall be included in the communication.
- 16.3.3 If so elected by the person requesting the Written Procedure and provided that it is also disclosed in the communication pursuant to Clause 16.3.1, when consents from Noteholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 16.4.2 and 16.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 16.4.2 or 16.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

16.4 Majority, quorum and other provisions

- 16.4.1 Only a Noteholder, or a person who has been provided with a power of attorney or other authorisation pursuant to Clause 6 (*Right to act on behalf of a Noteholder*) from a Noteholder:
- (a) on the Business Day specified in the notice pursuant to Clause 16.2.2, in respect of a Noteholders' Meeting, or
 - (b) on the Business Day specified in the communication pursuant to Clause 16.3.2, in respect of a Written Procedure,

may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Notes are included in the Adjusted Nominal Amount. Each whole Note entitles to one vote and any fraction of a Note voted for by a person shall be disregarded. Such Business Day specified pursuant to paragraph (a) or (b) above must fall no earlier than one (1) Business Day after the effective date of the notice or communication, as the case may be.

- 16.4.2 The following matters shall require the consent of Noteholders representing at least sixty-six and two thirds ($66 \frac{2}{3}$) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2:
- (a) the issue of any Subsequent Notes, if the total nominal amount of the Notes exceeds, or if such issue would cause the total nominal amount of the Notes to at any time exceed, SEK 2,000,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Notes are issued);

- (b) a change to the terms of any of Clause 2.1, and Clauses 2.5 to 2.7;
- (c) a reduction of the premium payable upon the redemption or repurchase of any Note pursuant to Clause 9 (*Redemption and repurchase of the Notes*);
- (d) a change to the Interest Rate or the Nominal Amount;
- (e) a change to the terms for the distribution of proceeds set out in Clause 15 (*Distribution of proceeds*);
- (f) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 16.4 (*Majority, quorum and other provisions*);
- (g) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or interest on the Notes;
- (h) a mandatory exchange of the Notes for other securities; and
- (i) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 13 (*Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.

16.4.3 Any matter not covered by Clause 16.4.2 shall require the consent of Noteholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 16.3.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 17.1 (a) or (d)) or an acceleration of the Notes.

16.4.4 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 16.4.2, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:

- (a) if at a Noteholders' Meeting, attend the meeting in person or by other means prescribed by the Agent pursuant to Clause 16.2.4 (or appear through duly authorised representatives); or
- (b) if in respect of a Written Procedure, reply to the request.

16.4.5 If a quorum exists for some but not all of the matters to be dealt with at a Noteholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.

16.4.6 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 16.2.1) or initiate a second Written Procedure (in accordance with Clause 16.3.1), as the case may be, provided that the person(s) who initiated the procedure for Noteholders'

consent has confirmed that the relevant proposal is not withdrawn. For the purposes of a second Noteholders' Meeting or second Written Procedure pursuant to this Clause 16.4.6, the date of request of the second Noteholders' Meeting pursuant to Clause 16.2.1 or second Written Procedure pursuant to Clause 16.3.1, as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause 16.4.4 shall not apply to such second Noteholders' Meeting or Written Procedure.

- 16.4.7 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as applicable.
- 16.4.8 A Noteholder holding more than one Note need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 16.4.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any owner of Notes (irrespective of whether such person is a Noteholder) for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- 16.4.10 A matter decided at a duly convened and held Noteholders' Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause the Issuer or the other Noteholders.
- 16.4.11 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 16.4.12 If a decision is to be taken by the Noteholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Notes owned by Group Companies as per the Record Date for voting, irrespective of whether such person is a Noteholder. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible for determining whether a Note is owned by a Group Company.
- 16.4.13 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

17. AMENDMENTS AND WAIVERS

- 17.1 The Issuer and the Agent (acting on behalf of the Noteholders) may agree in writing to amend and waive any provision in a Finance Document or any other document relating to the Notes, provided that the Agent is satisfied that such amendment or waiver:
- (a) is not detrimental to the interest of the Noteholders as a group;
 - (b) is made solely for the purpose of rectifying obvious errors and mistakes;
 - (c) is made pursuant to Clause 9(*Replacement of Base Rate*)
 - (d) is required by any applicable regulation, a court ruling or a decision by a relevant authority; or
 - (e) has been duly approved by the Noteholders in accordance with Clause 16 (*Decisions by Noteholders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Noteholders.
- 17.2 Any amendments to the Finance Documents shall be made available in the manner stipulated in Clause 11.4 (*Availability of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority. The Issuer shall promptly publish by way of press release any amendment or waiver made pursuant to Clause 17.1 (a) or (d), in each case setting out the amendment in reasonable detail and the date from which the amendment or waiver will be effective.
- 17.3 An amendment to the Finance Documents shall take effect on the date determined by the Noteholders Meeting, in the Written Procedure or by the Agent, as the case may be.

18. THE AGENT

18.1 Appointment of the Agent

- 18.1.1 By subscribing for Notes, each initial Noteholder appoints the Agent to act as its agent in all matters relating to the Notes and the Finance Documents, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Notes held by such Noteholder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.
- 18.1.2 Each Noteholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties

under the Finance Documents. The Agent is under no obligation to represent a Noteholder which does not comply with such request.

- 18.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- 18.1.4 The Agent is entitled to fees for all its work in such capacity and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agency Agreement and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- 18.1.5 The Agent may act as agent or trustee for several issues of securities or other loans issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

18.2 Duties of the Agent

- 18.2.1 The Agent shall represent the Noteholders in accordance with the Finance Documents.
- 18.2.2 When acting pursuant to the Finance Documents, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent is never acting as an advisor to the Noteholders or the Issuer. Any advice or opinion from the Agent does not bind the Noteholders or the Issuer.
- 18.2.3 When acting pursuant to the Finance Documents, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 18.2.4 The Agent shall treat all Noteholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Noteholders as a group and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- 18.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Noteholders or the Issuer. The Agent shall however remain liable for any actions of such parties if such parties are performing duties of the Agent under the Finance Documents.
- 18.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it (i) after the occurrence of an Event of Default, (ii) for the purpose of investigating or considering (A) an event or circumstance which the Agent reasonably believes is or may lead to an Event of Default or (B) a matter relating to the Issuer or the Finance Documents which the Agent reasonably believes may be detrimental to the interests of the Noteholders under the Finance Documents, and (iii) in connection with any Noteholders' Meeting or Written Procedure, or (iv) in connection with any amendment (whether contemplated by the Finance Documents or not) or waiver under the Finance Documents. Any compensation for damages or other

recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 15 (*Distribution of proceeds*).

- 18.2.7 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.
- 18.2.8 Other than as specifically set out in the Finance Documents, the Agent shall not be obliged to monitor (i) whether any Event of Default has occurred, (ii) the financial condition of the Issuer and the Group, (iii) the performance, default or any breach by the Issuer or any other party of its obligations under the Finance Documents, or (iv) whether any other event specified in any Finance Document has occurred or is expected to occur. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.
- 18.2.9 The Agent shall (i) review each Compliance Certificate delivered to it to determine that it meets the requirements set out in Clause 11.1.3 and as otherwise agreed between the Issuer and the Agent, and (ii) verify that the Issuer according to its reporting in the Compliance Certificate meets the Incurrence Test (if applicable). The Issuer shall promptly upon request provide the Agent with such information as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 18.2.9.
- 18.2.10 The Agent shall ensure that it receives evidence satisfactory to it that Finance Documents which are required to be delivered to the Agent are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 18.2.10. Other than as set out above, the Agent shall neither be liable to the Issuer or the Noteholders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.
- 18.2.11 Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any regulation.
- 18.2.12 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.
- 18.2.13 The Agent shall give a notice to the Noteholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or

indemnity due to the Agent under the Finance Documents or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause 18.2.12.

18.3 Liability for the Agent

18.3.1 The Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect or consequential loss.

18.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts provided to the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Noteholders to delay the action in order to first obtain instructions from the Noteholders.

18.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Noteholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.

18.3.4 The Agent shall have no liability to the Issuer or the Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with the Finance Documents.

18.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Finance Documents.

18.4 Replacement of the Agent

18.4.1 Subject to Clause 18.4.6, the Agent may resign by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall appoint a successor Agent at a Noteholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

18.4.2 Subject to Clause 18.4.6, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

18.4.3 A Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting

convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.

- 18.4.4 If the Noteholders have not appointed a successor Agent within ninety (90) days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Noteholders, the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of Market Loans.
- 18.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- 18.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of (i) the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent, and (ii) the period pursuant to Clause 18.4.4(ii) having lapsed.
- 18.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.
- 18.4.8 In the event that there is a change of the Agent in accordance with this Clause 18.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

19. THE ISSUING AGENT

- 19.1 The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Notes.
- 19.2 The Issuer shall ensure that the Issuing Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may be necessary in order for the Issuing Agent to carry out its duties relating to the Notes.
- 19.3 The Issuing Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly

caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.

20. THE CSD

- 20.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD Regulations and the other regulations applicable to the Notes.
- 20.2 The CSD may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Noteholder or the admission to trading of the Notes on the Regulated Market. The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Regulation (EU) no 909/2014 and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

21. NO DIRECT ACTIONS BY NOTEHOLDERS

- 21.1 A Noteholder may not take any steps whatsoever against the Issuer to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation or bankruptcy in any jurisdiction of the Issuer in relation to any of the obligations and liabilities of the Issuer under the Finance Documents. Such steps may only be taken by the Agent.
- 21.2 Clause 21.1 shall not apply if the Agent has been instructed by the Noteholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Noteholder to provide documents in accordance with Clause 18.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment of any fee or indemnity due to the Agent under the Finance Documents or the Agency Agreement or by any reason described in Clause 18.2.12, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 18.2.13 before a Noteholder may take any action referred to in Clause 21.1.
- 21.3 The provisions of Clause 21.1 shall not in any way limit an individual Noteholder's right to claim and enforce payments which are due to it under Clause 10.4 (*Mandatory repurchase due to a Change of Control Event or a Listing Failure Event (put option)*) or other payments which are due by the Issuer to some but not all Noteholders.

22. PRESCRIPTION

- 22.1 The right to receive repayment of the principal of the Notes shall be prescribed and become void ten (10) years from the Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments

in respect of which the Noteholders' right to receive payment has been prescribed and has become void.

- 22.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (*Sw. preskriptionslag (1981:130)*), a new limitation period of ten (10) years with respect to the right to receive repayment of the principal of the Notes, and of three (3) years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

23. COMMUNICATIONS AND PRESS RELEASES

23.1 Communications

- 23.1.1 Any notice or other communication to be made under or in connection with the Finance Documents:

- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Sw. Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to the email address notified by the Agent to the Issuer from time to time;
- (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office on the Business Day prior to dispatch or, if sent by email by the Agent, to the email address notified by the Issuer to the Agent from time to time; and
- (c) if to the Noteholders, shall be given at their addresses registered with the CSD on a date selected by the sending person which falls no more than five (5) Business Days prior to the date on which the notice or communication is sent, and by either courier delivery (if practically possible) or letter for all Noteholders. A notice to the Noteholders shall also be published on the websites of the Issuer and the Agent.

- 23.1.2 Any notice or other communication made by one person to another under or in connection with the Finance Documents shall be sent by way of courier, personal delivery or letter, or, if between the Issuer and the Agent, by email, and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 23.1.1, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 23.1.1, or, in case of email, when received in readable form by the email recipient.

- 23.1.3 Any notice or other communication pursuant to the Finance Documents shall be in English. However, financial reports published pursuant to Clause 11.1.1 (a) and (b) may be in Swedish.

- 23.1.4 Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

23.2 Press releases

- 23.2.1 Any notice that the Issuer or the Agent shall send to the Noteholders pursuant to Clauses 10.3, 10.4, 11.1.2, 14.3, 16.2.1, 16.3.1, 16.4.13 and 17.2 shall also be published by way of press release by the Issuer.
- 23.2.2 In addition to Clause 23.2.1, if any information relating to the Notes or the Issuer contained in a notice the Agent may send to the Noteholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Noteholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Noteholders, the Agent shall be entitled, but not obligated, to issue such press release.

24. FORCE MAJEURE

- 24.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 24.2 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 24.3 The provisions in this Clause 24 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

25. GOVERNING LAW AND JURISDICTION

- 25.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 25.2 The Issuer submits to the non-exclusive jurisdiction of the District Court of Stockholm (*Sw. Stockholms tingsrätt*).

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