

## TERMS AND CONDITIONS OF THE ADDITIONAL TIER 1 CONVERSION NOTES

*This general description of the Programme contains the Terms and Conditions of the Additional Tier 1 Conversion Notes which (subject to completion of the Pricing Supplement for each Series of Additional Tier 1 Conversion Notes) will be incorporated by reference into each Additional Tier 1 Conversion Note. The relevant Pricing Supplement in relation to any Series of Additional Tier 1 Conversion Notes will specify specific terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace and modify the following Terms and Conditions for the purposes of such Additional Tier 1 Conversion Notes. The relevant Pricing Supplement will be endorsed upon, or attached to, each Additional Tier 1 Conversion Note. The paragraphs appearing in italics below are included for disclosure purposes only and do not form part of the terms and conditions of the Additional Tier 1 Conversion Notes.*

Nordea Bank Abp, a public limited liability company incorporated in Finland (“**Nordea**” or the “**Issuer**”), has established a Global Medium-Term Note Programme the “**Programme**”) for the issuance of up to U.S.\$25,000,000,000 (or its equivalent in another currency calculated as described herein) in aggregate principal amount of debt instruments the “**Notes**” including, for the avoidance of doubt, the Additional Tier 1 Conversion Notes . The Programme size may be increased from time to time without the consent of the holders of Notes.

The Notes are issued in accordance with and subject to a fiscal and paying agency agreement dated 27 November 2018 as amended and/or restated and/or replaced from time to time up to the first Issue Date (as defined below of the relevant Series of Notes, the “**Agency Agreement**”), between the Issuer, Citibank, N.A., London Branch in its capacity as fiscal agent (the “**Fiscal Agent**”), as paying and conversion agent the “**Paying and Conversion Agent**”) and as registrar the “**Registrar**”) each such expression including any successor to Citibank, N.A., London Branch in its capacity as such), Citibank, N.A., acting through its New York branch in its capacity as U.S. paying agent the “**U.S. Paying Agent**”, which expression includes any successor to Citibank, N.A., acting through its New York branch in its capacity as such) and the paying agent(s) named therein the “**Paying Agent(s)**”, and which expression shall include the Fiscal Agent, Paying and Conversion Agent and U.S. Paying Agent and any substitute or additional paying agents appointed in accordance with the Agency Agreement). The Notes have the benefit of a deed of covenant the “**Deed of Covenant**”) dated 27 November 2018 as amended and/or restated and/or replaced from time to time up to the first Issue Date of the relevant Series of Notes), executed by the Issuer in relation to the Notes. Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the corporate trust office of the Fiscal Agent. All persons from time to time holding any Notes shall be deemed to have notice of all of the provisions of the Agency Agreement and the Deed of Covenant insofar as they relate to the Notes.

The Additional Tier 1 Conversion Notes are issued in separate series each, a “**Series**” and the Additional Tier 1 Conversion Notes of each Series will all be subject to identical terms whether as to currency, denomination, interest or maturity or otherwise (except the issue price, Issue Date and interest commencement date, which may or may not be identical in connection with further issuances .

Each Series will be the subject of a pricing supplement document (the “**Pricing Supplement**” endorsed upon or attached to each Additional Tier 1 Conversion Note a copy of which, in the case of a Series in relation to which application has been made for admission to the Official List of the Irish Stock Exchange plc trading as Euronext Dublin (“**Euronext Dublin**”) and admission to trading on the Global Exchange Market, will be filed with Euronext Dublin and will be available for inspection at the corporate trust office of the Fiscal Agent on or before the date of issue of the Additional Tier 1 Conversion Notes of such Series. In the case of a Series in relation to which application has not been made for admission to listing, trading and/or quotation on any stock exchange, listing authority and/or quotation system, copies of the Pricing Supplement will only be available for inspection by a holder of such Additional Tier 1 Conversion Notes producing evidence to the Issuer and the Fiscal Agent as to its holding of Additional Tier 1 Conversion Notes and identity.

These Conditions apply to the Additional Tier 1 Conversion Notes.

References in these Conditions to Additional Tier 1 Conversion Notes are to the Additional Tier 1 Conversion Notes of the relevant Series and any references to Coupons, as defined below, are to Coupons relating to Additional Tier 1 Conversion Notes of the relevant Series.

### 1. Interpretation

- a In these Conditions the following expressions have the following meanings:

“**Accounting Currency**” means euro or such other primary currency used in the presentation of the Relevant Entity’s accounts from time to time.

“**Additional Tier 1 Capital**” means additional tier 1 capital for the purposes of the Applicable Banking Regulations.

“**Additional Tier 1 Conversion Notes**” has the meaning given in Condition 4 (*Status*).

“**Adjustment Spread**” means either a spread which may be positive or negative), or a formula or methodology for calculating a spread, which the Issuer, following consultation with the Independent Adviser and acting in good faith, determines should be applied to the relevant Successor Rate or the relevant Alternative Benchmark Rate (as applicable), as a result of the replacement of the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate with the relevant Successor Rate or the relevant Alternative Benchmark Rate (as applicable), and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is recommended or formally provided as an option for parties to adopt in relation to the replacement of the Mid-Swap Floating Leg Benchmark Rate or Reference Rate (as applicable) with the Successor Rate by any Relevant Nominating Body; or
- ii) in the case of a Successor Rate for which no such recommendation has been made, or option provided, or in the case of an Alternative Benchmark Rate, the spread, formula or methodology which the Issuer, following consultation with the Independent Adviser and acting in good faith, determines to be appropriate as a result of the replacement of the Mid-Swap Floating Leg Benchmark Rate or Reference Rate (as applicable) with the Successor Rate or Alternative Benchmark Rate (as applicable).

“**Affected Noteholder**” has the meaning given in Condition 7(f)(iv) (*Settlement Procedures*).

“**Applicable Banking Regulations**” means at any time the laws, regulations, delegated or implementing acts, regulatory or implementing technical standards, rules, requirements, guidelines and policies relating to capital adequacy then in effect in the Relevant Jurisdiction including, without limitation to the generality of the foregoing, CRD, the SRM Regulation, BRRD, and those regulations, requirements, guidelines and policies relating to capital adequacy adopted by the Competent Authority, from time to time, and then in effect whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Nordea Group).

“**Automatic Conversion**” means the automatic conversion of the Additional Tier 1 Conversion Notes into the Conversion Shares at the Conversion Price, in accordance with Condition 7 (*Loss Absorption Mechanism*).

“**Automatic Conversion Notice**” means the written notice to be delivered by the Issuer to the Noteholders in accordance with Condition 15 (Notices) and to the Fiscal Agent specifying (i) that a Trigger Event has occurred, (ii) the CET1 Ratio as at the relevant time, (iii) the Conversion Date and the expected Registration Date, (iv) the Conversion Price then prevailing and (v) if known at such time, instructions for Noteholders to receive the relevant Conversion Shares from the Settlement Shares Depository as described in Condition 7(d) (*Delivery of Conversion Shares to Settlement Shares Depository*) or, if the Issuer is unable to appoint the Settlement Shares Depository, the other arrangements for the Noteholders to receive the relevant Conversion Shares as referred to in Condition 7(n) (*Appointment of Third Parties*).

“Automatic Conversion Settlement Notice” has the meaning given to it in Condition 7(b) (*Automatic Conversion Procedure*).

“**Benchmark Event**” has the meaning given in Condition 5(8) (*Benchmark Replacement*).

“**BRRD**” means Directive 2014/59/EU of 15 May 2014 establishing the framework for the recovery and resolution of credit institutions and investment firms, as amended by Directive (EU) 2019/879 of 20 May 2019 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms, the Creditor Hierarchy Directive and Directive 98/26/EC, and as may be further amended or replaced from time to time.

“**Business Day**” means (unless varied or restated in the relevant Pricing Supplement) a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in London and:

- a in relation to Additional Tier 1 Conversion Notes denominated in euro, which is a TARGET Settlement Day;

- (b) in relation to Additional Tier 1 Conversion Notes denominated in any other currency, which is a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the Relevant Financial Centre; and
- c in relation to payments or deliveries due upon presentation and/or surrender of any Additional Tier 1 Conversion Notes or Coupons, in the relevant place of presentation and/or surrender.

“**Business Day Convention**”, in relation to any particular date, has the meaning given in the relevant Pricing Supplement and, if so specified in the relevant Pricing Supplement, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) “**Following Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) “**Modified Following Business Day Convention**” or “**Modified Business Day Convention**” means that the relevant date shall be postponed to 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;
- (c) “**Preceding Business Day Convention**” means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) “**FRN Convention**”, “**Floating Rate Convention**” or “**Eurodollar Convention**” means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:
  - i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
  - (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (e) “**No Adjustment**” or “**unadjusted**” means that the relevant date shall not be adjusted in accordance with any Business Day Convention.

“**Calculation Agent**” means the Fiscal Agent or such other Agent specified as being responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) and/or principal or interest due in the relevant Pricing Supplement.

“**Calculation Amount**” has the meaning given in the relevant Pricing Supplement, provided that if the principal amount of each Additional Tier 1 Conversion Note is amended in accordance with the Conditions or as otherwise required by then current legislation and/or regulations applicable to the Issuer, the Fiscal Agent shall i) adjust the Calculation Amount on a pro-rata basis to account for such amendment, as the case may be, and (ii) notify the Holders in accordance with Condition 15 *Notices*) of the details of such adjustment.

“**Capital Event**” means the determination by the Issuer, after consultation with the Competent Authority, that the outstanding principal amount of the relevant Series of Additional Tier 1 Conversion Notes ceases or would be likely to cease to be included in whole, or in any part, or count in whole or in any part towards the Tier 1 Capital of either the Issuer or the Nordea Group (other than by reason of a full or partial exclusion of the outstanding principal amount of the relevant Series of Additional Tier 1 Conversion Notes arising by reason of any applicable limit on the amount of such capital under the Applicable Banking Regulations from time to time .

“**Capital Requirements Directive**” means Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013, as amended by Directive (EU) 2019/878 of 20 May 2019 as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures, and as may be further amended or replaced from time to time.

“**Cash Dividend**” means any dividend or distribution in respect of the Ordinary Shares which is to be paid or made to Shareholders as a class in cash (in whatever currency) and however described and whether payable out of share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to Shareholders upon or in connection with a reduction of capital.

“**Cash Proceeds**” has the meaning given in Condition 7(f)(iv) *Settlement Procedures*).

“**Central Securities Depository**” means Euroclear Finland Oy or any other such central securities depository within the European Economic Area appointed by the Issuer from time to time (or any successor thereof) to carry out its duties to keep its share register.

“**CET1 Capital**” means in respect of either the Issuer or the Nordea Group (as the case may be), at any time, the sum, expressed in the Accounting Currency, of all amounts that constitute common equity tier 1 capital of either the Issuer or the Nordea Group (as the case may be) as at such date, less any deductions from common equity tier 1 capital required to be made as at such date, in each case as calculated by the Issuer in accordance with the Applicable Banking Regulations applicable to either the Issuer on a solo basis or the Nordea Group on a consolidated basis (as the case may be), at such time (which calculation shall be binding on the Holders). For the purposes of this definition, the term “common equity tier 1 capital” shall have the meaning assigned to such term in the Applicable Banking Regulations then applicable to either the Issuer or the Nordea Group (as the case may be).

“**CET1 Ratio**” means, at any time, the ratio of CET1 Capital of the Relevant Entity, as at such date to the Risk Exposure Amount of the Relevant Entity, as at the same date, expressed as a percentage and, for the avoidance of doubt, on the basis that all measures used in such calculation shall be calculated applying any transitional provisions set out in CRR which are applicable for this purpose and applied in accordance with the Applicable Banking Regulations then applicable to the Relevant Entity and without regards to the Automatic Conversion that shall occur at such time in case of a Trigger Event.

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

- (i) the yield for United States Treasury Securities at “constant maturity” for a designated maturity which is equal or comparable to the duration of the relevant Reset Period, as published in the H.15 (as referred to below) under the caption “treasury constant maturities nominal)” or any successor publication that is published by the Board of Governors (as defined below) that establishes yields for United States Treasury Securities at “constant maturity”), as that yield is displayed on such Reset Determination Date, on the Relevant Screen Page; or
- (ii) if the yield referred to in paragraph i) above is not published by the Relevant Time on the Relevant Screen Page on such Reset Determination Date, the yield for the United States Treasury Securities at “constant maturity” for a designated maturity which is equal or comparable to the duration of the relevant Reset Period, as published in H.15 under the caption “treasury constant maturities nominal)” or any successor publication that is published by the Board of Governors (as defined below) that establishes yields for United States Treasury Securities at “constant maturity”), on such Reset Determination Date; or
- iii) if the yield referred to in paragraph ii) above is not published by the Fallback Relevant Time on such Reset Determination Date, the Reference Bond Rate on such Reset Determination Date;

in each case, all as determined by the Calculation Agent.

“**Competent Authority**” means any authority having primary responsibility for the prudential supervision of the Issuer and/or the Nordea Group at the relevant time.

“**Compulsory Acquisition Proceedings**” means any proceedings for the compulsory acquisition of the Ordinary Shares pursuant to Chapter 18 of the Finnish Companies Act.

“**Conditions to Redemption**” means, in relation to any Additional Tier 1 Conversion Notes, the conditions to redemption or repurchase set out in Condition 6(f) *Redemption and Repurchase—Conditions to Redemption or Repurchase*) or as otherwise specified in the relevant Pricing Supplement and which are applicable to such Additional Tier 1 Conversion Notes.

“**Conversion Date**” means the date on which an Automatic Conversion takes place, as set out in Condition 7(a)(i) *Automatic Conversion*).

“**Conversion Price**” means, if the Ordinary Shares are:

- a then admitted to trading on a Relevant Stock Exchange, the greater of:
  - i) the Current Market Price of an Ordinary Share on the Conversion Date translated, if necessary, into the Specified Currency at the Prevailing Exchange Rate on the relevant Conversion Date; and
  - ii) the Floor Price on the Conversion Date; or
- (b) not then admitted to trading on a Relevant Stock Exchange, the Floor Price on the Conversion Date.

“**Conversion Shares**” means the Ordinary Shares which are issued automatically upon an Automatic Conversion.

“**CRD**” means the legislative package consisting of the Capital Requirements Directive, the CRR and any CRD Implementing Measures.

“**CRD Implementing Measures**” means any regulatory capital rules or regulations, or other requirements, which are applicable to the Issuer or the Nordea Group and which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the regulatory capital of the Issuer or the Nordea Group on a solo or consolidated basis, as the case may be to the extent required by the Capital Requirements Directive or the CRR, including for the avoidance of doubt any regulatory technical standards released by the European Banking Authority (or any successor or replacement thereof).

“**Creditor Hierarchy Directive**” means Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017 amending Directive 2014/59/EU as regards the ranking of unsecured debt instruments in insolvency hierarchy, or any equivalent legislation.

“**CRR**” means Regulation EU No. 575/2013 on prudential requirements for credit institutions and investment firms of the European Parliament and of the Council of 26 June 2013, as amended by Regulation EU) 2019/876 of 20 May 2019 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and as may be further amended or replaced from time to time.

“**Current Market Price**” means, in respect of an Ordinary Share at a particular date, the average of the daily Volume Weighted Average Price of an Ordinary Share on each of the five consecutive dealing days ending on the dealing day immediately preceding such date; provided that:

- a if at any time during the said five (5) dealing-day period the Volume Weighted Average Price shall have been based on a price ex-dividend or ex- any other entitlement and during some other part of that period the Volume Weighted Average Price shall have been based on a price cum-dividend (or cum- any other entitlement), then:
  - i) if the Ordinary Shares to be issued and delivered do not rank for the dividend or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price cum-dividend or cum- any other entitlement) shall, for the purposes of this definition, be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such dividend or entitlement per Ordinary Share as at the date of first public announcement relating to such dividend or entitlement, in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit; or



- ii) if the Ordinary Shares to be issued and delivered do rank for the dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price ex-dividend (or ex- any other entitlement) shall, for the purposes of this definition, be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such dividend or entitlement per Ordinary Share as at the date of first public announcement relating to such dividend or entitlement, in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit,

and provided further that, if on each of the said five dealing days the Volume Weighted Average Price shall have been based on a price cum-dividend (or cum- any other entitlement) in respect of a dividend (or other entitlement) which has been declared or announced but the Ordinary Shares to be issued and delivered do not rank for that dividend (or other entitlement), the Volume Weighted Average Price on each of such dates shall, for the purposes of this definition, be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such dividend or entitlement per Ordinary Share as at the date of first public announcement relating to such dividend or entitlement, in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit; and

- (b) if the Volume Weighted Average Price of an Ordinary Share is not available on one or more of the said five (5) dealing days (disregarding for this purpose the proviso to the definition of Volume Weighted Average Price), then the average of such Volume Weighted Average Prices which are available in that five (5) dealing-day period shall be used (subject to a minimum of two such prices) and if only one, or no, such Volume Weighted Average Price is available in the relevant period, the Current Market Price shall be determined in good faith by an Independent Adviser.

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (the “**Calculation Period**”), such day count fraction as may be specified in these Conditions or the relevant Pricing Supplement and:

- (i) if “**Actual/Actual ICMA**” is so specified, means:
  - a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - b) where the Calculation Period is longer than one Regular Period, the sum of:
    - A the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
    - B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- ii) if “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- iii) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- iv) if “**Actual/365 (Sterling)**” is so specified, means the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (v) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;

- vi) if “**30/360**”, “**360/360**” or “**Bond Basis**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

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

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

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

“**M2**” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

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

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

- vii) if “**30E/360**” or “**Eurobond Basis**” is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

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

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

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

“**M2**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

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

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

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

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

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

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

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

“**M2**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

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

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

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period.

“**Delivery Notice**” means a notice in the form for the time being currently available from the specified office of the Paying and Conversion Agent, which contains the relevant accounts and related details for the delivery of any Conversion Shares (and for the payment of any Cash Dividend and Cash Proceeds as provided in Condition 7(f) *Settlement Procedures* and all relevant certifications and/or representations as may be required by applicable law and regulations, and which are required to be delivered in connection with the delivery of the Conversion Shares and/or payment of any Cash Dividend and Cash Proceeds.

“**Determination Agent**” means the agent specified as such in the relevant Pricing Supplement.

“**Distributable Items**”, at any time, shall have the meaning assigned to such term in CRR as interpreted and applied in accordance with the Applicable Banking Regulations then applicable to the Issuer, unless otherwise specified in the relevant Pricing Supplement.

“**Effective Date**” means, in the case of an adjustment to the Floor Price pursuant to Condition 7(i)(iii) *Adjustment of Floor Price*, the first day on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants on the Relevant Stock Exchange.

“**Fair Market Value**” means with respect to any property on any date, the fair market value of that property as determined by an Independent Adviser in good faith, provided that i) the Fair Market Value of any cash amount shall be the amount of such cash; (ii) where options, warrants or other rights are publicly traded on a stock exchange or securities market of adequate liquidity (as determined in good faith by an Independent Adviser), the Fair Market Value of such options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights during the period of five dealing days on the relevant stock exchange or securities market commencing on such date (or, if later, the first such dealing day such options, warrants or other rights are publicly traded) or such shorter period as such options, warrants or other rights are publicly traded; iv) where options, warrants or other rights are not publicly traded on a stock exchange or securities market of adequate liquidity (as aforesaid), the Fair Market Value of such options, warrants or other rights shall be determined in good faith by an Independent Adviser, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Ordinary Share, the dividend yield of an Ordinary Share, the volatility of such market price, prevailing interest rates and the terms of such options, warrants or other rights, including as to the expiry date and exercise price (if any) thereof. Such amounts shall, in the case of (i) above, be translated into the Relevant Currency (if declared, announced, made, paid or payable in a currency other than the Relevant Currency, and if such amounts are payable at the option of the Issuer or a Shareholder in any currency additional to the Relevant Currency, they shall be treated as payable in the Relevant Currency) at the rate of exchange used to determine the amount payable to Shareholders who were paid or are to be paid or are entitled to be paid such amounts in the Relevant Currency; and, in any other case, shall be translated into the Relevant Currency (if expressed in a currency other than the Relevant Currency) at the Prevailing Exchange Rate on that date. In addition, in the case of i) above, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit.

“**Fallback Relevant Time**” means the time specified in the relevant Pricing Supplement.

“**Finnish Companies Act**” means the Companies Act *Fi: osakeyhtiölaki (2006/624*, as amended).

“**First Interest Payment Date**” means the date specified in the relevant Pricing Supplement.

“**First Margin**” means the margin specified as such in the relevant Pricing Supplement.



“**First Reset Date**” means the date specified in the relevant Pricing Supplement.

“**First Reset Period**” means the period from and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the relevant Pricing Supplement, the date of any final redemption.

“**First Reset Period Fallback Yield**” means the yield specified in the relevant Pricing Supplement.

“**First Reset Rate of Interest**” means, in respect of the First Reset Period and subject to Condition 5(5) *Interest—Reset Note Provisions*) and Condition 5(6)(c) *Interest—Supplemental Provision—Reset Reference Rate Conversion*), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Reference Rate and the First Margin.

“**Floor Price**” means an amount specified in the Specified Currency to be set out in the relevant Pricing Supplement, subject to adjustment thereafter in accordance with Condition 7(i) *Adjustment of Floor Price* .

“**Independent Adviser**” means an independent financial institution of international repute or other independent financial adviser of recognised standing with relevant experience in the international capital markets, in each case appointed by the Issuer at its own expense.

“**Initial Rate of Interest**” has the meaning specified in the relevant Pricing Supplement.

“**Interest Amount**” means, in relation to an Additional Tier 1 Conversion Note and an Interest Period, the amount of interest payable in respect of that Additional Tier 1 Conversion Note for that Interest Period.

“**Interest Commencement Date**” means the Issue Date of the Additional Tier 1 Conversion Notes as specified in the Pricing Supplement or such other date as may be specified as such in the Pricing Supplement.

“**Interest Payment Date**” means the First Interest Payment Date and any date or dates specified as such in the relevant Pricing Supplement each such date a “Specified Interest Payment Date”) and, if a Business Day Convention is specified in the relevant Pricing Supplement:

- a as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Pricing Supplement as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the First Interest Payment Date) or the previous Interest Payment Date in any other case .

“**Issue Date**” has the meaning specified in the relevant Pricing Supplement.

“**Junior Securities**” means the share capital and any obligation of the Issuer ranking or, expressed to rank, junior to the Additional Tier 1 Conversion Notes.

“**Maximum Distributable Amount**” means any maximum distributable amount relating either to the Issuer and/or the Nordea Group as the case may be) required to be calculated in accordance with Article 141 of the Capital Requirements Directive, Article 16a of BRRD or any analogous restrictions under Applicable Banking Regulations as transposed or implemented into the law of the Relevant Jurisdiction and in accordance with the Applicable Banking Regulations.

“**Maximum Redemption Amount**” has the meaning given in the relevant Pricing Supplement.

“**Mid-Swap Maturity**” has the meaning given in the relevant Pricing Supplement.

“**Mid-Market Swap Rate**” means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Additional Tier 1 Conversion Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg

Benchmark Rate for the Mid-Swap Maturity as specified in the relevant Pricing Supplement (calculated on the day count basis customary for floating rate payments in the Specified Currency).

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

“**Mid-Swap Floating Leg Benchmark Rate**” means EURIBOR if the Specified Currency is euro or LIBOR for the Specified Currency if the Specified Currency is not euro or such other Reference Rate as may be specified in the relevant Pricing Supplement.

“**Mid-Swap Rate**” means, in relation to a Reset Determination Date and subject to Condition 5(5)(c) *Interest – Reset Note Provisions*), either:

- (i) if Single Mid-Swap Rate is specified in the relevant Pricing Supplement, the rate for swaps in the Specified Currency:
  - A) with a term equal to the relevant Reset Period; and
  - B) commencing on the relevant Reset Date, which appears on the Relevant Screen Page; or
- ii) if Mean Mid-Swap Rate is specified in the relevant Pricing Supplement, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent (0.0005 per cent being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:
  - A) with a term equal to the relevant Reset Period; and
  - B) commencing on the relevant Reset Date, which appear on the Relevant Screen Page,

in either case, as at approximately 11.00 a.m. in the Relevant Financial Centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent.

“**Minimum Redemption Amount**” has the meaning given in the relevant Pricing Supplement.

“**Nordea Group**” means the Issuer and its subsidiaries.

“**Notice Cut-off Date**” has the meaning given in Condition 7(f)(i) (*Settlement Procedures*).

“**Offer Settlement Date**” has the meaning given in Condition 7(e) (*Settlement Shares Offer*).

“**Offer Settlement Period**” has the meaning given in Condition 7(e) (*Settlement Shares Offer*).

“**Ordinary Shares**” means fully paid ordinary shares in the capital of the Issuer.

“**Original Reset Reference Rate Basis**” has the meaning given in the relevant Pricing Supplement and shall be annual, semi-annual, quarterly or monthly.

“**Parity Securities**” means any (i) subordinated and undated debt instruments or securities of the Issuer which are recognised as “Additional Tier 1 Capital” of the Issuer, from time to time by the Competent Authority and ii) any securities or other obligations of the Issuer which rank, or are expressed to rank, on a liquidation or bankruptcy of the Issuer, *pari passu* with the Additional Tier 1 Conversion Notes.

a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state in each case whether or not being a separate legal entity) or other legal entity.

“**Prevailing Exchange Rate**” means, in respect of any currencies on any day, the spot rate of exchange between the relevant currencies prevailing as at or about 12 noon (Central European Time or Central European Summer Time, as the case may be) on that date as appearing on or derived from the Relevant PER Screen Page or, if such a rate cannot be determined at such time, the rate prevailing as at or about 12 noon (Central European Time or Central European Summer Time, as the case may be) on the immediately preceding day on which such rate can be so determined or, if such rate cannot be so determined by reference to the Relevant PER Screen Page, the rate determined in such other manner as an Independent Adviser shall in good faith prescribe.

“**Qualifying Securities**” has the meaning given in Condition 18.

“**Rate of Interest**” means (i) in the case of Additional Tier 1 Conversion Notes other than Reset Notes, the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Additional Tier 1 Conversion Notes specified in the relevant Pricing Supplement or calculated or determined in accordance with the provisions of these Conditions; and (ii) in the case of Reset Notes, the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable.

“**Reference Banks**” has the meaning given in the relevant Pricing Supplement or, if none, four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer on the advice of an investment bank of international repute.

“**Reference Bond Price**” means, with respect to any Reset Determination Date (i) the arithmetic average (as determined by the Calculation Agent) of the Reference Government Bond Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (ii) if fewer than five such Reference Government Bond Dealer Quotations are received, the arithmetic average (as determined by the Calculation Agent) of all such quotations.

“**Reference Bond Rate**” means with respect to any Reset Period, the rate per annum equal to the yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reset Reference Bond, assuming a price for the Reset Reference Bond (expressed as a percentage of its principal amount equal to the Reference Bond Price for such Reset Determination Date, as determined by the Calculation Agent, provided that if only one Reference Government Bond Dealer Quotation is received or if no Reference Government Bond Dealer Quotations are received in respect of the determination of the Reference Bond Price, the Rate of Interest shall not be determined by reference to the Reference Bond Rate and the Rate of Interest shall instead be, in the case of the First Reset Rate of Interest, the Initial Rate of Interest and, in the case of any Subsequent Reset Rate of Interest, the Rate of Interest as at the last preceding Reset Date (though substituting, where a different Relevant Margin is to be applied to the relevant Reset Period from that which applied to the last preceding Reset Period, the Relevant Margin relating to the relevant Reset Period, in place of the Relevant Margin relating to that last preceding Reset Period).

“**Reference Government Bond Dealer**” means each of five banks selected by the Issuer (following, where practicable, consultation with the Calculation Agent) or their affiliates, which are (i) primary government securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues.

“**Reference Government Bond Dealer Quotations**” means, with respect to any Reference Government Bond Dealer and any Reset Determination Date, the arithmetic average, as determined by the Calculation Agent, of the bid and offered prices for the Reset Reference Bond (expressed in each case as a percentage of its principal amount) as at the Reset Determination Time and quoted in writing to the Calculation Agent by such Reference Government Bond Dealer.

“**Reference Rate**” has the meaning given to such term in the relevant Pricing Supplement.

“**Registration Date**” has the meaning given in Condition 7(c) (*The Conversion Shares*).

“**Regular Period**” means:

- (i) in the case of Additional Tier 1 Conversion Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the First Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (ii) in the case of Additional Tier 1 Conversion Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls; and
- (iii) in the case of Additional Tier 1 Conversion Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period.

“**Relevant CET1 Ratio**” means a) if a Combined Trigger Event is specified as being applicable in the relevant Pricing Supplement, the CET1 Ratio of the Issuer or the Nordea Group and (b) if Group Trigger Event is specified as being applicable in the relevant Pricing Supplement, the CET1 Ratio of the Nordea Group.

“**Relevant Currency**” means the currency in which the Ordinary Shares are quoted or dealt in on the Relevant Stock Exchange at such time.

“**Relevant Entity**” means a) if a Combined Trigger Event is specified as being applicable in the relevant Pricing Supplement, the Issuer or the Nordea Group and (b) if Group Trigger Event is specified as being applicable in the relevant Pricing Supplement, the Nordea Group.

“**Relevant Financial Centre**” means:

- a in relation to Additional Tier 1 Conversion Notes denominated in Japanese Yen, Tokyo;
- (b) in relation to Additional Tier 1 Conversion Notes denominated in Pounds Sterling, London;
- c in relation to Additional Tier 1 Conversion Notes denominated in U.S. dollars, New York City; and
- (d) in relation to Additional Tier 1 Conversion Notes denominated in any other currency, such financial centre or centres as may be specified in relation to the relevant currency and for the purposes of the definition of “**Business Day**” in the 2006 ISDA Definitions as amended and updated from time to time), as published by the International Swaps and Derivatives Association, Inc.,

and, in all cases, as the same may be modified in the relevant Pricing Supplement.

“**Relevant Jurisdiction**” means the jurisdiction in which the Issuer is incorporated at the relevant time.

“**Relevant Margin**” means:

- (i) in the case of Additional Tier 1 Conversion Notes in relation to which Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable, the margin(s) specified in the relevant Pricing Supplement; and
- (ii) in the case of Additional Tier 1 Conversion Notes in relation to which Reset Note Provisions are specified in the relevant Pricing Supplement as being applicable, the First Margin and/or the Subsequent Margin(s), as the case may be, as specified in the relevant Pricing Supplement.

“**Relevant Nominating Body**” means, in respect of a benchmark or screen rate (as applicable): (i) the central bank for the currency to which the benchmark or screen rate as applicable relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate as applicable); or ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or d) the Financial Stability Board or any part thereof.

“**Relevant PER Screen Page**” means the relevant page on Bloomberg or such other information service provider that displays the Prevailing Exchange Rate.

“**Relevant Screen Page**” means the page, section or other part of a particular information service (or any successor or replacement page, section or other part of a particular information service, including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Pricing Supplement, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of (i) displaying rates or prices comparable to the Reference Rate or (ii) displaying yields for the relevant CMT Rate.

“**Relevant Stock Exchange**” means Nasdaq Helsinki Ltd or, if at the relevant time the shares of the Issuer are not at that time listed and admitted to trading on the official list maintained by Nasdaq Helsinki Ltd, the principal stock exchange or securities market on which the shares of the Issuer are then listed, admitted to trading or quoted or accepted for dealing.

“**Relevant Time**” has the meaning given in the relevant Pricing Supplement.

“**Reset Date**” means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable), in each case as adjusted (if so specified in the relevant Pricing Supplement) in accordance with Condition 5(1) as if the relevant Reset Date was an Interest Payment Date.

“**Reset Determination Date**” means, in respect of the First Reset Period, the second Business Day prior to the First Reset Date, in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Reset Date and, in respect of each Subsequent Reset Period thereafter, the second Business Day prior to the first day of each such Subsequent Reset Period, or in each case as specified in the relevant Pricing Supplement.

“**Reset Determination Time**” means in relation to a Reset Determination Date, 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date or such other time as may be specified in the relevant Pricing Supplement.

“**Reset Note**” means an Additional Tier 1 Conversion Note on which interest is calculated at reset rates payable in arrear on a fixed date or dates in each year and/or at intervals of one, two, three, six or 12 months or at such other date or intervals as may be agreed between the Issuer and the relevant dealer(s) (as indicated in the relevant Pricing Supplement).

“**Reset Period**” means the First Reset Period or a Subsequent Reset Period, as the case may be.

“**Reset Reference Bond**” means for any Reset Period (i) if “CMT Rate” is specified as applicable in the relevant Pricing Supplement, the Reset United States Treasury Security, or (ii) otherwise, a government security or securities issued by the government of the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be deemed to be Germany) agreed between the Issuer and the Determination Agent as having the nearest actual or interpolated maturity comparable with the relevant Reset Period and that (in the opinion of the Issuer, after consultation with the Determination Agent) would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the relevant Reset Period.

“**Reset Reference Rate**” means one of: (i) the Mid-Swap Rate, or (ii) the Reference Bond Rate, or (iii) the CMT Rate, as specified in the relevant Pricing Supplement.

“**Reset United States Treasury Security**” means, in relation to a Reset Determination Date, the United States Treasury Security determined by the Issuer and the Determination Agent:

- (i) with a designated maturity which is equal or comparable to the duration of the relevant Reset Period and a remaining term to maturity of no less than one year less than a maturity (the “**Relevant Remaining Term to Maturity**”) which is equal or comparable to the duration of the relevant Reset Period; and
- (ii) which is in a principal amount equal to an amount that is representative for a single transaction in such United States Treasury Securities in the New York City market.

If two or more United States Treasury Securities have remaining terms to maturity of no less than the Relevant Remaining Term to Maturity, the United States Treasury Security with the longer remaining term to maturity will be used for the purposes of the relevant determination and if two or more United States Treasury Securities have remaining terms to maturity equally close to the duration of the Relevant Remaining Term to Maturity, the United States Treasury Security with the largest nominal amount outstanding will be used for the purposes of the relevant determination.

“**Risk Exposure Amount**” means, at any time, the aggregate amount, expressed in the Accounting Currency, of the risk exposure amount of either the Issuer or the Nordea Group (as the case may be), as at such date, as calculated by the Issuer, on a solo basis in respect of the Issuer or on a consolidated basis in respect of the Nordea Group in accordance with the Applicable Banking Regulations applicable to either the Issuer and/or the Nordea Group (as the case may be), on such date (which calculation shall be binding on the Holders). For the purposes of this definition, the term “risk exposure amount” means the risk weighted assets or total risk exposure amount, as calculated by the Issuer, in accordance with the Applicable Banking Regulations applicable to either the Issuer and/or the Nordea Group (as the case may be).

“**Second Reset Date**” means the date specified in the relevant Pricing Supplement.

“**Securities**” means any securities including, without limitation, shares in the capital of the Issuer, or securities convertible into, or options, warrants or other rights to subscribe for or purchase or acquire, shares in the capital of the Issuer and each a “**Security**”).

“**Selling Agent**” has the meaning given in Condition 7(f)(iv) *Settlement Procedures*).

“**Settlement Shares Depository**” means a reputable independent financial institution, trust company, account manager, nominee entity, depository entity, or similar entity to be appointed by the Issuer on or prior to any date when a function ascribed to the Settlement Shares Depository in these Conditions is required to be performed to perform such functions and who will hold Conversion Shares (whether in the form of interim shares or regular shares in a designated trust or custody account for the benefit of the Noteholders and otherwise on terms consistent with these Conditions.

“**Settlement Shares Offer**” has the meaning given in Condition 7(e) *Settlement Shares Offer*).

“**Settlement Shares Offer Expenses**” has the meaning given in Condition 7(e) *Settlement Shares Offer*).

“**Settlement Shares Offer Agent**” has the meaning given in Condition 7(e) *Settlement Shares Offer* .

“**Shareholders**” means the holders of Ordinary Shares.

“**Specified Currency**” has the meaning given in the relevant Pricing Supplement.

“**Specified Period**” has the meaning given in the relevant Pricing Supplement.

“**SRM Regulation**” means Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund, as the same may be amended or replaced from time to time.

“**Subordinated Indebtedness**” means any obligation of the Issuer whether or not having a fixed maturity, which by its terms is, or is expressed to be, subordinated in the event of liquidation or bankruptcy of the Issuer to the claims of depositors and all other unsubordinated creditors of the Issuer.

“**Subsequent Margin**” means the margin specified as such in the relevant Pricing Supplement.

“**Subsequent Reset Date**” means the date or dates specified in the relevant Pricing Supplement.

“**Subsequent Reset Period**” means the period from and including the Second Reset Date to but excluding) the next Subsequent Reset Date, and each successive period from and including) a Subsequent Reset Date to but excluding) the next succeeding Subsequent Reset Date.

“**Subsequent Reset Rate of Interest**” means, in respect of any Subsequent Reset Period and subject to Condition 5(5) *Interest—Reset Note Provisions* and Condition 5(6 c) *Interest—Supplemental Provision—Reset Reference Rate Conversion*), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Reference Rate and the relevant Subsequent Margin.

“**Successor Rate**” means the reference rate (and related alternative screen page or source, if available that the Independent Adviser (with the Issuer’s agreement) determines is a successor to or replacement of the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate as applicable) which is formally recommended by any Relevant Nominating Body.

“**TARGET**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system or any successor thereto.

“**TARGET Settlement Day**” means any day on which TARGET is open for the settlement of payments in euro.

“**Tax Event**” means the receipt by the Issuer of an opinion of counsel in the relevant Taxing Jurisdiction (experienced in such matters) to the effect that, as a result of:

- (i) any amendment to, or change in, the laws or treaties (or any regulations thereunder) of the Taxing Jurisdiction affecting taxation;
- ii) any governmental action in the Taxing Jurisdiction; or



- (iii) any amendment to, or change in, the official position or the interpretation of such law, treaty or regulations thereunder or governmental action or any interpretation, decision or pronouncement that provides for a position with respect to such law, treaty or regulations thereunder) or governmental action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or regulatory body in the Taxing Jurisdiction, irrespective of the manner in which such amendment, change, action, pronouncement, interpretation or decision is made known,

which amendment or change is effective or such governmental action, interpretation, pronouncement or decision is announced, on or after the Issue Date of the Additional Tier 1 Conversion Notes:

- A the Issuer is, or will be, subject to additional taxes, duties or other governmental charges with respect to the Additional Tier 1 Conversion Notes or is not, or will not be, entitled to claim a deduction in respect of payments in respect of the Additional Tier 1 Conversion Notes in computing its taxation liabilities (or the value of such deduction would be materially reduced); or
- B the treatment of any of the Issuer's items of income or expense with respect to the Additional Tier 1 Conversion Notes as reflected on the tax returns including estimated returns) filed or to be filed by the Issuer will not be respected by a taxing authority, which subjects the Issuer to additional taxes, duties or other governmental charges.

**"Taxing Jurisdiction"** means the Relevant Jurisdiction or any political subdivision thereof or any authority or agency therein or thereof having power to tax or any other jurisdiction or any political subdivision thereof or any authority or agency therein or thereof, having power to tax in which the Issuer is treated as having a permanent establishment, under the income tax laws of such jurisdiction.

**"Tier 1 Capital"** means tier 1 capital for the purposes of the Applicable Banking Regulations.

**"Tier 2 Capital"** means tier 2 capital for the purposes of the Applicable Banking Regulations.

a **"Trigger Event"** shall occur if at any time the Issuer, the Competent Authority or any agent appointed for such purpose by the Competent Authority has determined that the CET1 Ratio of i either the Issuer on a solo basis or the Nordea Group on a consolidated basis (a **"Combined Trigger Event"** or (ii) the Nordea Group on a consolidated basis only (a **"Group Trigger Event"**), as specified in the relevant Pricing Supplement, is less than the Trigger Level.

**"Trigger Level"** has the meaning given in the relevant Pricing Supplement.

**"Volume Weighted Average Price"** means, in respect of an Ordinary Share on any dealing day, the order book volume-weighted average price of an Ordinary Share published by or derived from the Relevant Stock Exchange or the relevant Bloomberg page or, in any such case, such other source as shall be determined in good faith to be appropriate by an Independent Adviser on such dealing day, provided that if on any such dealing day such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of an Ordinary Share in respect of such dealing day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding dealing day on which the same can be so determined or determined as an Independent Adviser might otherwise determine in good faith to be appropriate.

**"Withholding Tax Event"** has the meaning given in Condition 6(b) *Early Redemption for Taxation Reasons – Withholding Tax*.

- b) In these Conditions:
  - i if Talons are specified in the relevant Pricing Supplement as being attached to the Additional Tier 1 Conversion Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
  - ii) if Talons are not specified in the relevant Pricing Supplement as being attached to the Additional Tier 1 Conversion Notes at the time of issue, references to Talons are not applicable;
  - (iii) any reference to principal shall be deemed to include any premium payable in respect of an Additional Tier 1 Conversion Note and any other amount in the nature of principal payable pursuant to these Conditions;

- iv) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 9 *Taxation* and any other amount in the nature of interest payable pursuant to these Conditions;
- v) if an expression is stated in Condition 1(a) *Interpretation—Definitions*) to have the meaning given in the relevant Pricing Supplement, but the relevant Pricing Supplement gives no such meaning or specifies that such expression is “Not Applicable” then such expression is not applicable to the Additional Tier 1 Conversion Notes;
- vi) any reference to the Agency Agreement or Deed of Covenant shall be construed as a reference to the Agency Agreement or Deed of Covenant, as the case may be, as amended and/or supplemented up to (and including) the Issue Date of the Additional Tier 1 Conversion Notes;
- vii) references to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment; and
- viii) if a Trigger Event is specified in the relevant Pricing Supplement as being a Group Trigger Event, all amounts and ratios to be calculated under these Conditions should be calculated on the basis of the Nordea Group on a consolidated basis only, and should not require any amounts or ratios to be calculated by reference to the Issuer on a solo basis.

## 2. Form and Denomination

### a) *Form*

Additional Tier 1 Conversion Notes are issued in bearer form or registered form, as specified in the relevant Pricing Supplement and are serially numbered. The Additional Tier 1 Conversion Notes will be in substantially the form (subject to amendment and completion) scheduled to the Agency Agreement.

### b) *Form of Bearer Notes*

Additional Tier 1 Conversion Notes issued in bearer form (“**Bearer Notes**”) will be represented upon issue by a temporary global note (a “**Temporary Global Note**” or a permanent global Note a “**Permanent Global Note**” and together with a Temporary Global Note, the “**Global Bearer Notes**”) in substantially the form (subject to amendment and completion) scheduled to the Agency Agreement. On or after the date which is forty days after the completion of the distribution of the Additional Tier 1 Conversion Notes the “**Exchange Date**”) of the relevant Series and provided certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (substantially in the form set out in the Temporary Global Note) has been received, interests in the Temporary Global Note may be exchanged for:

- (i) interests in a Permanent Global Note representing the Additional Tier 1 Conversion Notes of that Series and in substantially the form (subject to amendment and completion) scheduled to the Agency Agreement; or
- ii) if so specified in the relevant Pricing Supplement, definitive bearer notes “**Definitive Bearer Notes**” serially numbered and in substantially the form (subject to amendment and completion) scheduled to the Agency Agreement.

If any date on which a payment of interest is due on the Additional Tier 1 Conversion Notes of a Series occurs whilst any of the Additional Tier 1 Conversion Notes of that Series are represented by the Temporary Global Note, the related interest payment will be made on the Temporary Global Note only to the extent that certification as to the beneficial ownership thereof as required by U.S. Treasury regulations (in the form set out in the Temporary Global Note) has been received by Euroclear Bank SA/NV “**Euroclear**”) or Clearstream Banking, SA “**Clearstream, Luxembourg**”) or by any other clearing system to which Additional Tier 1 Conversion Notes or any interest therein may from time to time be credited. Payments of principal or interest (if any) on a Permanent Global Note will be made through Euroclear and Clearstream, Luxembourg without any requirement for certification.

Interests in the Permanent Global Note will, unless the contrary is specified in the relevant Pricing Supplement, be exchangeable at the cost and expense of the Issuer, unless otherwise specified in the relevant Pricing Supplement, in whole (but not in part), at the option of the Holder of such Permanent Global Note for Definitive Bearer Notes if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system(s) is closed for business for a continuous period of 14 days (other than by reason of public holidays) or announces an intention to cease business permanently or does in fact do so or

(b) any of the events specified under Condition 8(a) *Enforcement Events*) occurs in respect of any Additional Tier 1 Conversion Note of the relevant Series. Whenever the Permanent Global Note is to be exchanged for Definitive Bearer Notes, the Issuer shall procure the prompt delivery of such Definitive Bearer Notes duly authenticated and with Coupons and Talons attached (if so specified in the relevant Pricing Supplement), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the Holder of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the Holder requesting such exchange. If default is made by the Issuer in the required delivery of Definitive Bearer Notes and such default is continuing at 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange, such Permanent Global Note will become void in accordance with its terms but without prejudice to the rights of the Account Holders (as defined in the Deed of Covenant with Euroclear and Clearstream, Luxembourg in relation thereto under the Deed of Covenant).

Definitive Bearer Notes will, if so specified in the relevant Pricing Supplement, have attached thereto at the time of their initial delivery coupons (“**Coupons**”), presentation of which will be prerequisite to the payment of interest in certain circumstances specified below provided that Definitive Bearer Notes, if so specified in the relevant Pricing Supplement, have attached thereto at the time of initial delivery Coupons and one Talon for further Coupons (a “**Talon**” together with the Coupons in such case and where the context so permits, the “**Coupons**”) entitling the holder thereof to further Coupons and a further Talon.

c) ***Form of Registered Notes***

Additional Tier 1 Conversion Notes issued in registered form “**Registered Notes**” will be in substantially the form subject to amendment and completion scheduled to the Agency Agreement. Registered Notes will not be exchangeable for Bearer Notes.

The Registered Notes sold pursuant to Rule 144A under the United States Securities Act of 1933, as amended (the “**Securities Act**”) initially will be evidenced by one or more Additional Tier 1 Conversion Notes in registered, global form without interest coupons collectively, the “**Rule 144A Global Registered Notes**”). The Registered Notes sold pursuant to Regulation S under the Securities Act initially will also be evidenced by one or more Additional Tier 1 Conversion Notes in registered, global form without interest coupons collectively, the “**Regulation S Global Registered Notes**” and, together with the Rule 144A Global Registered Notes, the “**Global Registered Notes**” and together with the “**Global Bearer Notes**”, the “**Global Notes**”. Upon issuance, the Global Registered Notes may be deposited with the Fiscal Agent or a Paying Agent as custodian for The Depository Trust Company “**DTC**”), in New York, New York, and registered in the name of DTC or its nominee, in each case for credit to an account of a direct or indirect participant in DTC as described below. Beneficial interests in the Rule 144A Global Registered Notes may not be exchanged for beneficial interests in the Regulation S Global Registered Notes at any time except in the limited circumstances described below under Condition 3(c) (*Transfer of Registered Notes*) below.

Registered Notes evidenced by a Regulation S Global Registered Note may also be registered in the name of a common depository (or its nominee) for Euroclear Bank SA/NV “**Euroclear**”) or Clearstream Banking, SA “**Clearstream, Luxembourg**”) and/or any other relevant clearing system and the relevant Regulation S Global Registered Note will be deposited on or about its Issue Date with the common depository.

Except as set forth below, the Global Registered Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Registered Notes may not be exchanged for Additional Tier 1 Conversion Notes in definitive form except in the limited circumstances described below.

Registered Notes sold to QIBs in reliance on Rule 144A (including beneficial interests in the Rule 144A Global Registered Notes) will be subject to certain restrictions on transfer and will bear a restrictive legend as described under Condition 3(d) *Rule 144A Legend*) below. In addition, transfers of beneficial interests in the Global Registered Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear or Clearstream, Luxembourg, which may change from time to time).

d) ***Denomination***

Additional Tier 1 Conversion Notes will be issued in such denominations as may be specified in the relevant Pricing Supplement, subject to i) a minimum denomination of U.S.\$200,000 or, in the case of Additional Tier 1 Conversion Notes not denominated in U.S. dollars, the equivalent thereof in such foreign currency, rounded down to the nearest 100,000 units of such foreign currency, but so that in no

event will the minimum denomination be lower than €100,000 or its equivalent at the date of issue of the relevant Additional Tier 1 Conversion Notes) and integral multiples of U.S.\$1,000 (or, in the case of Additional Tier 1 Conversion Notes not denominated in U.S. dollars, 1,000 units of such foreign currency) in excess thereof; and ii) compliance with all applicable legal and/or regulatory and/or central bank requirements.

e) ***Currency of the Additional Tier 1 Conversion Notes***

Additional Tier 1 Conversion Notes may be denominated in any currency subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

For the purposes of these Terms and Conditions (the “**Conditions**”), references to the Additional Tier 1 Conversion Notes shall, as the context may require, be deemed to be Bearer Notes, Temporary Global Notes, Permanent Global Notes, Global Notes, Definitive Bearer Notes, Registered Notes, Rule 144A Global Registered Notes, Regulation S Global Registered Notes, Global Registered Notes or Definitive Registered Notes (as defined herein).

3. **Title, Transfer and Delivery**

a) ***Title to Bearer Notes***

Title to the Bearer Notes and Coupons passes by delivery. References herein to the “**Noteholders**” or “**Holders**” of Bearer Notes or of Coupons signify the bearers of such Bearer Notes or such Coupons.

The Holder of any Bearer Note or Coupon will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no person shall be liable for so treating such Holder.

b) ***Title to Registered Notes***

Title to Registered Notes passes by registration in the register (the “**Note Register**”) which is kept by the Registrar as specified in the relevant Pricing Supplement. References herein to the “**Noteholders**” or “**Holders**” of Registered Notes signify the persons in whose names such Additional Tier 1 Conversion Notes are so registered.

Subject to such reasonable procedures as it may prescribe, the Issuer will keep the Note Register for the exchange, registration and registration of transfer of Additional Tier 1 Conversion Notes at the designated corporate trust office of the Fiscal Agent in the City of New York, the Fiscal Agent acting as the Issuer’s agent for such purposes. The Fiscal Agent will keep the Note Register at said office and will make such Note Register available for inspection upon the request of the Issuer. Included in the Note Register will be the name and address of the Holder of each Additional Tier 1 Conversion Note, the amount of each Additional Tier 1 Conversion Note, notations as to whether such Additional Tier 1 Conversion Notes have been paid or cancelled, and, in the case of mutilated, destroyed, stolen or lost Additional Tier 1 Conversion Notes, whether such Additional Tier 1 Conversion Notes have been replaced. In the case of the replacement of any of the Additional Tier 1 Conversion Notes, the Fiscal Agent will keep a record of the Additional Tier 1 Conversion Note so replaced, and the Additional Tier 1 Conversion Note issued in replacement thereof. In the case of the cancellation of any of the Additional Tier 1 Conversion Notes, the Fiscal Agent will keep a record of the Additional Tier 1 Conversion Note so cancelled and the date on which such Additional Tier 1 Conversion Note was cancelled. The Holder of any Registered Note will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no person shall be liable for so treating such Holder.

c) ***Transfer of Registered Notes***

A Registered Note may, upon the terms and subject to the conditions set forth in the Agency Agreement, be transferred in whole or in part only (provided that such part is, or is an integral multiple of, the minimum denomination specified in the relevant Pricing Supplement) upon the surrender of the Registered Note to be transferred, together with the form of transfer endorsed on it the “**Certificate of Transfer**” duly completed and executed, at the corporate trust office of the Fiscal Agent. A new Registered Note will be issued to the transferee and, in the case of a transfer of part only of a Registered Note, a new Registered Note in respect of the balance not transferred will be issued to the transferor.

The following procedures and restrictions with respect to the registration of any transfer of any Registered Note shall apply:

- (i) The Fiscal Agent shall register the transfer of any Registered Note, if the requested transfer (x) is to the Issuer, (y) such transfer is, in the case of Rule 144A Global Registered Notes, at least one year or such other period as shall constitute the required holding period pursuant to Rule 144A under the Securities Act) after the later of (i) the Issue Date of such Registered Note (or any predecessor of such Registered Note) and (ii) the sale of such Registered Note (or any predecessor of such Registered Note) by the Issuer or an Affiliate of the Issuer computed in accordance with paragraph (d) of Rule 144 under the Securities Act and the Holder of such Registered Note is not at the proposed date of such transfer and was not during the three months preceding such proposed date of transfer an Affiliate of the Issuer, or (z) such transfer is, in the case of Regulation S Global Registered Notes, at least 40 days after the Issue Date of such Additional Tier 1 Conversion Note (or any predecessor of such Additional Tier 1 Conversion Note). No further documents, certifications or other evidence need be supplied in respect of any such transfer.
- (ii) The Fiscal Agent shall register the transfer of any Registered Note if the Holder of such Registered Note has properly completed the Certificate of Transfer, or a transfer instrument substantially in the form of such Certificate of Transfer, and has delivered such Certificate of Transfer to the Fiscal Agent.
- (iii) The Fiscal Agent shall register the transfer of a Registered Note to or from the DTC, Euroclear, Clearstream, Luxembourg or any other institutional trading system designated by the Issuer in a written notice to the Fiscal Agent. In connection with any such transfer to the DTC for deposit or for deposit in such other institutional trading system, no further documents, certifications or other evidence need be supplied to the Fiscal Agent in respect thereof. In connection with any such transfer out of Euroclear, Clearstream, Luxembourg or such other institutional trading system, the Fiscal Agent shall receive such documents, certifications or other evidence from the transferor or transferee as are specified in such written notice.
- (iv) If so directed by the Issuer, the Fiscal Agent shall register the transfer of the Registered Notes, from or through any dealer, placement agent or other person specified by the Issuer which has agreed in writing to offer, sell and effect transfers of Registered Notes only (i) to a prospective purchaser who is such dealer, placement agent or other person has reasonable grounds to believe and does believe is a QIB; or (ii) in an offshore transaction in accordance with Rule 903 or 904 of Regulation S. No further documents, certifications or other evidence need be supplied in respect of any such transfer.
- (v) With respect to any requested transfer of a Registered Note not provided for in clauses (i) through (iv) above, the Fiscal Agent shall not register such transfer except upon the order of the Issuer signed by or on behalf of the Issuer by an authorised officer or a duly appointed attorney-in-fact of the Issuer and then only pursuant to any additional procedures as the Issuer may establish and against surrender of such Registered Note. Such additional procedures may include, without limitation, (x) delivery by the transferor or the proposed transferee of an opinion of counsel reasonably satisfactory to the Issuer to the effect that such transfer may be effected without registration under the Securities Act and (y) the delivery by the proposed transferee of representation letters in form and substance reasonably satisfactory to the Issuer to ensure compliance with the provisions of the Securities Act. It is understood that the issuance of such order by the Issuer shall be in the sole and absolute discretion of the Issuer.
- (vi) Upon receipt of the duly completed Registered Note and any required instruments of transfer, transfer notices or other written statements or documents as described above, the Fiscal Agent shall cancel such Registered Note and register the transfer and complete, authenticate and deliver in the name of the designated transferee or transferees, one or more new Registered Notes of authorised denominations in the principal amount specified on such Registered Note.
- (vii) The Fiscal Agent shall have no liability whatsoever to any party so long as it registers the transfer in accordance with the instructions described herein.

All Registered Notes issued upon any transfer or exchange of Registered Notes shall be valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under the Agency Agreement as the Registered Notes surrendered upon such transfer or exchange. Each Registered Note authenticated and delivered upon any transfer or exchange for or in lieu of the whole or any part of any Registered Note shall carry all the rights to interest (if any) and additional amounts (if any) in each case accrued and



unpaid and to accrue, which were carried by the whole or such part, as the case may be, of such Registered Note.

The Issuer or Fiscal Agent may decline to exchange or register the transfer of any Registered Note during the period of 15 days preceding (i) the due date for any payment of principal or interest on or additional amounts with respect to the Registered Notes; (ii) the date on which Registered Notes are scheduled for redemption pursuant to Condition 6 *Redemption and Repurchase*) or (iii) if required by the Fiscal Agent, the relevant date on which Registered Notes are scheduled for interest cancellation under Condition 5(7) or for Automatic Conversion under Condition 7 (*Loss Absorption Mechanism*).

Transfer, registration and exchange shall be permitted and executed as provided in this Condition 3(c) *Transfer of Registered Notes*) without any charge to the Holder other than any taxes or governmental charges payable on transfers or any expenses of delivery by other than regular mail, but subject to such reasonable regulations as the Issuer and the Fiscal Agent may prescribe. Registration of the transfer of a Registered Note by the Fiscal Agent shall be deemed to be the acknowledgment of such transfer on behalf of the Issuer.

Upon the transfer, exchange or replacement of Registered Notes not bearing the Rule 144A Legend (as defined herein), the Fiscal Agent shall deliver Registered Notes that do not bear the Rule 144A Legend. Upon the transfer, exchange or replacement of Registered Notes bearing the Rule 144A Legend, the Fiscal Agent shall deliver only Registered Notes that bear the Rule 144A Legend unless the circumstances contemplated by Condition 3(c)(i)(y) (*Transfer of Registered Notes*) above exist.

d) ***Rule 144A Legend***

Upon the transfer, exchange or replacement of the Registered Notes bearing the private placement legend (the “**Rule 144A Legend**”) for the purpose of Rule 144A under the Securities Act set forth in the form of the Registered Note scheduled to the Agency Agreement, the Fiscal Agent shall deliver only Additional Tier 1 Conversion Notes that also bear such legend unless there is delivered to the Issuer and to the Fiscal Agent such satisfactory evidence, which may include an opinion, reasonably satisfactory to the Issuer, of counsel experienced in giving opinions with respect to questions arising under the securities laws of the United States, that neither the Rule 144A Legend nor the restrictions on transfer set forth therein are required to ensure that transfers thereof comply with the provisions of Rule 144A, Rule 144 or Regulation S under the Securities Act or that such Additional Tier 1 Conversion Notes are not “restricted securities” within the meaning of Rule 144 under the Securities Act. The Issuer covenants and agrees that it will not acquire any beneficial interest, and will cause its Banking Affiliates not to acquire any beneficial interest, in any Registered Note bearing the Rule 144A Legend unless it notifies the Fiscal Agent in writing of such acquisition. The Fiscal Agent and all Noteholders will be entitled to rely without further investigation on any such notification (or lack thereof). “**Banking Affiliate**” means for the purpose of this Condition 3(d) any entity controlled, directly or indirectly, by the Issuer, any entity that controls the Issuer, directly or indirectly, or any entity under common control with the Issuer, and which is in each case, a credit institution whose business is to receive deposits or other repayable funds from the public and to grant credits for its own account. For this purpose “control” of the Issuer or any entity means ownership of a majority of the voting power of the Issuer or such entity.

4. **Status**

***Ranking***

Unless previously converted into Conversion Shares pursuant to Condition 7 *Loss Absorption Mechanism*), and subject as provided below, the Additional Tier 1 Conversion Notes issued pursuant to these Conditions the “**Additional Tier 1 Conversion Notes**” of each Series and any related Coupons constitute and will constitute direct, unsecured, unguaranteed and subordinated obligations of the Issuer. For regulatory capital purposes, the Issuer intends, on the relevant Issue Date, that the Additional Tier 1 Conversion Notes shall constitute Additional Tier 1 Capital.

In the event of the voluntary or involuntary liquidation or bankruptcy of the Issuer, the rights and claims (if any) of the Holders of any Additional Tier 1 Conversion Notes to payments in respect of the Additional Tier 1 Conversion Notes (including any principal, any accrued and uncanceled interest or damages awarded for breach of any obligations under these Conditions, if any are payable), will rank:

- i) *pari passu* without any preference among the Additional Tier 1 Conversion Notes;
- ii) at least *pari passu* with payments to holders of present or future outstanding Parity Securities of the Issuer;



- (iii) in priority to payments to holders of present or future outstanding Junior Securities of the Issuer; and
- iv) junior in right of payment to the payment of any present or future claims of (a) depositors of the Issuer, (b) other unsubordinated creditors of the Issuer, and (c) subordinated creditors of the Issuer in respect of Subordinated Indebtedness (other than Parity Securities and Junior Securities including, for the avoidance of doubt, Tier 2 Capital instruments,

subject, in all cases, to mandatory provisions of Finnish law, including but not limited to the Finnish implementation of Article 48 7) of the BRRD in item 6 of Chapter 1, Section 4a, Subsection 1 of the Finnish Act on Credit Institutions *Fi: luottolaitoslaki (610/2014)* as amended to the effect that claims resulting from items qualifying (whether in whole or in part) as own funds of the Issuer have a lower priority ranking than any claim that results from an item which does not qualify (whether in whole or in part) as own funds of the Issuer.

In the event of the liquidation or bankruptcy of the Issuer that occurs after the date on which a Trigger Event occurs but before the Registration Date, the rights and claims (if any) of the Noteholders in respect of their Additional Tier 1 Conversion Notes shall be limited to such amount, if any, as would have been payable to Noteholders on a return of assets in such liquidation or bankruptcy of the Issuer if the Registration Date had occurred immediately before the occurrence of such liquidation or bankruptcy of the Issuer.

### **General**

No Holder of the Additional Tier 1 Conversion Notes shall be entitled to exercise any right of set-off or counterclaim against moneys owed by the Issuer in respect of such Additional Tier 1 Conversion Notes.

## **5. Interest**

The Additional Tier 1 Conversion Notes shall be interest bearing and the Pricing Supplement in relation to each Series of Additional Tier 1 Conversion Notes shall specify which of Conditions 5(1) *Interest—Fixed Rate*, 5(2) *Interest—Floating Rate (other than the Floating Rate Notes referencing SONIA or SOFR)*, 5 3 *Interest – Floating Rate Notes referencing SONIA or SOFR*, 5 4 *Interest—Other Rates* and/or 5(5) *Interest – Reset Note Provisions* shall be applicable provided that Condition 5(6) *Interest—Supplemental Provision* will be applicable to each Series of Additional Tier 1 Conversion Notes as specified therein, save, in each case, to the extent inconsistent with the relevant Pricing Supplement. The application of any of Conditions 5(1) to 5(6) shall be subject to Condition 5(7) *Interest Cancellation in respect of Additional Tier 1 Conversion Notes*.

### **1) Interest—Fixed Rate Note Provisions**

This Condition 5(1) is applicable to the Additional Tier 1 Conversion Notes only if the Fixed Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable. The Additional Tier 1 Conversion Notes in relation to which this Condition 5(1) is applicable shall bear interest on its principal amount from and including their Issue Date as specified in the relevant Pricing Supplement) to, but excluding, the date of any final redemption at the rate or rates per annum specified in the relevant Pricing Supplement. Such interest will be payable in arrear on each Interest Payment Date as is specified in the relevant Pricing Supplement and on the date of any final redemption. The amount of interest payable in respect of each Additional Tier 1 Conversion Note for any period for which a Fixed Interest Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product *i* in respect of an Additional Tier 1 Conversion Note denominated in U.S. dollars, on the basis of a 360 day year consisting of twelve months of 30 days each and, in the case of an incomplete month, the actual number of days elapsed and (ii) in the case of an Additional Tier 1 Conversion Note denominated in a currency other than U.S. dollars, on the basis of the number of days in the relevant period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date divided by *x* in the case of Additional Tier 1 Conversion Notes where interest is scheduled to be paid only by means of regular annual payments, the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the next scheduled Interest Payment Date or *y*) in the case of Additional Tier 1 Conversion Notes where interest is scheduled to be paid other than only by means of regular annual payments, the product of the number of days in the period from and including the most recent Interest Payment Date or, if none, the Interest Commencement Date) to but excluding the next scheduled Interest Payment Date and the number of Interest Payment Dates that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; rounding the resulting figure to the nearest sub-unit of the Specified Currency, (half a sub-unit being rounded upwards) and multiplying such rounded figures by a fraction equal to the Specified Denomination (as specified in the relevant Pricing Supplement) of such Additional Tier 1 Conversion Note divided by the Calculation Amount. For the purposes of this Condition 5, a “sub-unit” means, in the case of any currency other than U.S. dollar, the lowest amount of such currency that is available as

legal tender in the country of such currency and, in the case of U.S. dollar, means one cent. Interest may also be calculated on such other basis as may be specified in the relevant Pricing Supplement.

2) ***Interest—Floating Rate Note Provisions (other than Floating Rate Notes referencing SONIA or SOFR)***

- a This Condition 5(2) is applicable to the Additional Tier 1 Conversion Notes only if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable and the Reference Rate is not SONIA or SOFR. The Additional Tier 1 Conversion Notes in relation to which this Condition 5(2) is applicable (the “**Floating Rate Option**”) shall bear interest on its principal amount at the rates per annum determined in accordance with this Condition 5(2).
- (b) Such Additional Tier 1 Conversion Notes shall bear interest from and including their Issue Date (as specified in the relevant Pricing Supplement) to, but excluding, the date of any final redemption. Such interest will be payable on each date (an “**Interest Payment Date**”) which falls such period of months as may be specified in the relevant Pricing Supplement after such Issue Date or, as the case may be, after the preceding Interest Payment Date. If any Interest Payment Date would otherwise fall on a date which is not a Business Day, it shall be postponed to the next Business Day unless it would thereby fall into the next calendar month, in which event it shall be brought forward to the preceding Business Day unless it is specified in the relevant Pricing Supplement that if any Interest Payment Date would otherwise fall on the date which is not a Business Day, it shall be postponed to the next Business Day. If such Issue Date or any succeeding Interest Payment Date falls on the last Business Day of the month, each subsequent Interest Payment Date shall be the last Business Day of the relevant month. Each period beginning on and including) such Issue Date and ending on but excluding) the First Interest Payment Date and each period beginning on and including) an Interest Payment Date and ending on (but excluding the next Interest Payment Date is herein called an “**Interest Period**”.
- c The Pricing Supplement in relation to each Series of Additional Tier 1 Conversion Notes in relation to which the Floating Rate Note Provisions or Reset Note Provisions are specified as being applicable shall specify which Relevant Screen Page on the Reuters Screen or any other information vending service shall be applicable. For these purposes, “**Reuters Screen**” means the Reuters Money 3000 Service or such other service as may be nominated as the information vendor for the purpose of displaying comparable rates in succession thereto .
- (d) If Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to such Additional Tier 1 Conversion Notes for each Interest Period shall be determined by the Calculation Agent on the following basis:
  - A) If the Reference Rate is a composite quotation or customarily supplied by one entity, then:
    - (i) where the Floating Rate Option is based on the London interbank offered rate (as defined below, “**LIBOR**”) the Calculation Agent will determine the rate for deposits or, as the case may require, the arithmetic mean of the rates for deposits) in the relevant currency for a period of the duration of the relevant Interest Period on the Relevant Screen Page as of 11.00 a.m. London time on the second London Banking Day before (or, in the case of Additional Tier 1 Conversion Notes denominated in Pounds Sterling, on) the first day of the relevant Interest Period or, in the case of euro-LIBOR, on the second TARGET Settlement Day of the relevant Interest Period (the “**LIBOR Interest Determination Date**”);
    - ii) where the Floating Rate Option is based on the Euro-zone interbank offered rate “**EURIBOR**” the Calculation Agent will determine the rate for deposits (or, as the case may require, the arithmetic mean of the rates for deposits) in euro for a period of the duration of the relevant Interest Period on the Relevant Screen Page as of 11.00 a.m. (Brussels time) of the second TARGET Settlement Day before the first day of the relevant Interest Period (the “**EURIBOR Interest Determination Date**”);
    - (iii) where the Floating Rate Option is based on an interbank offered rate in a Relevant Financial Centre specified in the relevant Pricing Supplement other

than as set in paragraphs (vi) and (vii) below, the Calculation Agent will determine the rate for deposits or, as the case may require, the arithmetic mean of the rates for deposits) in the relevant currency for a period of the duration of the relevant Interest Period on the Relevant Screen Page as of the Relevant Time on the Interest Determination Date;

- iv) if no such rate for deposits so appears (or, as the case may require, if fewer than two such rates for deposits so appear, the Calculation Agent will request appropriate quotations and will determine the arithmetic mean of the rates at which deposits in the relevant currency are offered by four major banks (selected by the Issuer) in the Relevant Financial Centre at approximately the Relevant Time on the first day of the relevant Interest Period to prime banks in the interbank market of the Relevant Financial Centre in each such case for a period of the duration of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the Relevant Time;
- v) if fewer than two rates are so quoted, the Calculation Agent will determine the arithmetic mean of the rates quoted by major banks in the Relevant Financial Centre, selected by the Calculation Agent in consultation with the Issuer) at approximately the Relevant Time on the first day of the relevant Interest Period for loans in the relevant currency to leading European banks for a period of the duration of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the Relevant Time;
- vi) where the Floating Rate Option is based on the Federal Funds rate the “**Federal Funds Rate**” the Calculation Agent will determine the rate for deposits or, as the case may require, the arithmetic mean of the rates for deposits) in the relevant currency for a period of the duration of the relevant Interest Period on the Interest Determination Date for U.S. dollar federal funds as such rate is published in H.15 opposite the heading “*Federal Funds (Effective)*”, as such rate is displayed on Reuters (or any successor service) on page FEDFUNDS 1 (or any other page as may replace such page (“**Reuters Page FEDFUNDS 1**”), or, if such rate does not appear on Reuters Page FEDFUNDS 1 or is not so published by 11:00 a.m. New York City time on the day that is one New York City Banking Day following the date the Federal Funds Rate is calculated, the rate on such Interest Determination Date for U.S. dollar federal funds as published in H.15 Daily Update, or such other recognised electronic source used for the purpose of displaying such rate, under the caption “*Federal Funds (Effective)*”. If such rate does not appear on Reuters Page FEDFUNDS 1 or is not yet published in H.15, H.15 Daily Update or another recognised electronic source by 11:00 a.m. New York City time on the day that is one New York City Banking Day following the date the Federal Funds Rate is calculated, then the Federal Funds Rate on such Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates for the last transaction in overnight U.S. dollar federal funds arranged by three leading brokers of U.S. dollar federal funds transactions in New York City (which may include the Dealers or their affiliates) selected by the Calculation Agent (after consultation with Nordea prior to 9:00 a.m., New York City time, on such Interest Determination Date; provided, however, that if the brokers so selected by the Calculation Agent in consultation with the Issuer) are not quoting as mentioned in this sentence, the Federal Funds Rate determined as of such Interest Determination Date will be the Federal Funds Rate in effect on such Interest Determination Date, or, if no Federal Funds Rate was in effect on such Interest Determination Date, the rate for the following Interest Period shall be the initial Rate of Interest. Save as set out in the relevant Pricing Supplement, the “Interest Determination Date” with respect to the Federal Funds Rate will be the Federal Funds Rate Business Day immediately preceding the applicable Interest Period and “Federal Funds Rate Business Day” means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorised or required by law, regulation or executive order to close in New York City; provided,

however, that, with respect to Additional Tier 1 Conversion Notes denominated in a Specified Currency other than U.S. dollars, it is also not a day on which commercial banks are authorised or required by law, regulation or executive order to close in the Principal Financial Centre of the country issuing the Specified Currency. The “Principal Financial Centre” means the capital city of the country issuing the Specified Currency except, that with respect to U.S. dollars, Canadian dollars, and Swiss francs, the “**Principal Financial Centre**” shall be New York City, Toronto, and Zurich, respectively. “**H.15**” means the weekly statistical release designated as such, or any successor publication, published by the Board of Governors of the Federal Reserve System the “**Board of Governors**”), or its successor, available through the website of the Board of Governors at <http://www.federalreserve.gov/releases/H15> and “**H.15 Daily Update**” means the daily update of H.15 available at the Board of Governors of the Federal Reserve System’s Internet web site located at <http://www.federalreserve.gov/releases/H15>, or any successor site or publication; and

- (vii) where the Floating Rate Option is based on the Prime Rate (the “**Prime Rate**” the Calculation Agent will determine the rate for deposits or, as the case may require, the arithmetic mean of the rates for deposits) in the relevant currency for a period of the duration of the relevant Interest Period on the Interest Determination Date as such rate is published in H.15 opposite the caption “*Bank Prime Loan*” or, if not published by 5:00 p.m., New York City time, on the day that is one New York City Banking Day following such Interest Determination Date, the rate on such Interest Determination Date as published in H.15 Daily Update, or such other recognised electronic source used for the purpose of displaying such rate, opposite the caption “*Bank Prime Loan*”. If such rate is not yet published in H.15, H.15 Daily Update or another recognised electronic source by 5:00 p.m. New York City time on the day that is one New York City Banking Day following such Interest Determination Date, then the Prime Rate shall be the arithmetic mean, as determined by the Calculation Agent, of the rates of interest publicly announced by three major banks (which may include affiliates of the Dealers) in New York City selected by the Calculation Agent (after consultation with Nordea) as the U.S. dollar prime rate or base lending rate in effect for such Interest Determination Date. (Each change in the prime rate or base lending rate of any bank so announced by such bank will be effective as of the effective date of the announcement or, if no effective date is specified, as of the date of the announcement.) If fewer than three major banks (which may include affiliates of the Dealers) so selected in New York City have publicly announced a U.S. dollar prime rate or base lending rate for such Interest Determination Date, the Prime Rate with respect to such Interest Determination Date shall be the rate in effect on such Interest Determination Date, or, if no Prime Rate was in effect on such Interest Determination Date, the rate for the following Interest Period shall be the initial Rate of Interest. Save as set out in the relevant Pricing Supplement, the “**Interest Determination Date**” with respect to the Prime Rate will be the first day of the relevant Interest Period and “**New York City Banking Day**” shall mean any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the city of New York. As used above, “**H.15**” means the weekly statistical release designated as such, or any successor publication, published by the Board of Governors of the Federal Reserve System the “**Board of Governors**”), or its successor, available through the website of the Board of Governors at <http://www.federalreserve.gov/releases/h15> and “**H.15 Daily Update**” means the daily update of H.15 available at the Board of Governors of the Federal Reserve System’s Internet web site located at <http://www.federalreserve.gov/releases/h15>, or any successor site or publication,
- B) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant Pricing Supplement, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference

to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:

- (1) one rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
- 2 the other rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period; provided, however, that if no rate is available for a period of time next shorter or, as the case may be, next longer than the length of the relevant Interest Period, then the Determination Agent shall determine such rate at such time and by reference to such sources as it determines appropriate,

and the Rate of Interest applicable to such Additional Tier 1 Conversion Notes during each Interest Period will be the sum of the Relevant Margin and the rate (or, as the case may be, the arithmetic mean) so determined provided that, if the Calculation Agent is unable to determine a rate (or, as the case may be, an arithmetic mean) in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to such Additional Tier 1 Conversion Notes during such Interest Period will be the sum of the Relevant Margin and the rate (or, as the case may be, the arithmetic mean) last determined in relation to such Additional Tier 1 Conversion Notes in respect of a preceding Interest Period. For the purpose of these Conditions, “**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty on European Union as amended, and as used in this Condition 5 and “**Interest Determination Date**” means (other than in respect of paragraphs A(vi) and vii) above) the date specified as such in the relevant Pricing Supplement.

- e The Calculation Agent will, as soon as practicable after determining the Rate of Interest in relation to each Interest Period, calculate the Interest Amount payable in respect of the Calculation Amount specified in the relevant Pricing Supplement for the relevant Interest Period. The amount of interest shall be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the actual number of days in the Interest Period concerned divided by 360 (or, in the case of the Additional Tier 1 Conversion Notes denominated in Pounds Sterling, 365 (or, if any portion of such Interest Period falls in a leap year, the sum of i) the actual number of days in that portion divided by 366 and ii) the actual number of days in the remainder of such Interest Period divided by 365) or by such other number as may be specified in the relevant Pricing Supplement, rounding the resulting figure to the nearest sub-unit of the currency in which such Additional Tier 1 Conversion Notes are denominated or, as the case may be, in which such interest is payable (one half of any such sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Additional Tier 1 Conversion Note divided by the Calculation Amount. Where the Specified Denomination of such an Additional Tier 1 Conversion Note comprises more than one Calculation Amount, the Interest Amount payable in respect of such Additional Tier 1 Conversion Note shall be the aggregate of the amounts (determined in the manner above) for each Calculation Amount comprising the Specified Denomination, without any further rounding. For this purpose, a “**sub-unit**” means, in the case of any currency other than U.S. dollar, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of U.S. dollar, means one cent.

(3) ***Interest – Floating Rate Notes referencing SONIA or SOFR***

- a This Condition 5(3) is applicable to the Additional Tier 1 Conversion Notes only if the Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable and the Reference Rate is SONIA or SOFR. The Additional Tier 1 Conversion Notes in relation to which this Condition 5(3) is applicable shall bear interest on its principal amount at the rates per annum determined in accordance with this Condition 5(3).
- (b) Such Additional Tier 1 Conversion Notes shall bear interest from and including their Issue Date (as specified in the relevant Pricing Supplement) to, but excluding, the date of any final redemption. Such interest will be payable on each date (an “**Interest Payment Date**”) which falls such period of months as may be specified in the relevant Pricing Supplement after such Issue Date or, as the case may be, after the preceding Interest Payment Date. If any Interest



Payment Date would otherwise fall on a date which is not a Business Day, it shall be postponed to the next Business Day unless it would thereby fall into the next calendar month, in which event it shall be brought forward to the preceding Business Day unless it is specified in the relevant Pricing Supplement that if any Interest Payment Date would otherwise fall on the date which is not a Business Day, it shall be postponed to the next Business Day. If such Issue Date or any succeeding Interest Payment Date falls on the last Business Day of the month, each subsequent Interest Payment Date shall be the last Business Day of the relevant month. Each period beginning on (and including) such Issue Date and ending on (but excluding) the First Interest Payment Date and each period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an “**Interest Period**”.

- c Subject to Conditions 5(8) and 5(6)(e) if applicable), where the Reference Rate specified in the relevant Pricing Supplement is SONIA, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as specified in the relevant Pricing Supplement) the Relevant Margin, all as determined by the Calculation Agent.

For the purposes of this Condition 5(3):

“**Compounded Daily SONIA**” means, with respect to an Interest Period, the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the Interest Determination Date in question, as follows, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

- (i) in the case of Compounded Daily SONIA specified in the relevant Pricing Supplement as being SONIA with Observation Period Shift:

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

“**d**” means, for any Observation Period, the number of calendar days in such Observation Period;

“**d<sub>o</sub>**” means, for any Observation Period, the number of London Banking Days in such Observation Period;

“**i**” means, for any Observation Period, a series of whole numbers from one to d<sub>o</sub>, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in such Observation Period to, and including, the last London Banking Day in such Observation Period;

“**Interest Determination Date**” means, in respect of any Interest Period, the date falling “p” London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling “p” London Banking Days prior to such earlier date, if any, on which the Additional Tier 1 Conversion Notes are due and payable);

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

“**n<sub>i</sub>**” means, for any London Banking Day “i”, in the relevant Observation Period, the number of calendar days from, and including, such London Banking Day “i” up to, but excluding, the following London Banking Day;

“**Observation Period**” means, in respect of an Interest Period, the period from, and including, the date falling “p” London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is “p” London Banking Days prior to the Interest Payment Date for such Interest Period or the date falling “p” London Banking Days prior to such earlier date, if any, on which the Additional Tier 1 Conversion Notes become due and payable;

“**p**” means, for any Interest Period, the number of London Banking Days specified in the relevant Pricing Supplement;



“**SONIA<sub>i</sub>**” means, in respect of any London Banking Day “i” falling in the relevant Observation Period, the SONIA Reference Rate; and

“**SONIA Reference Rate**” means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average “**SONIA**”) rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors on the London Banking Day immediately following such London Banking Day;

or

ii in the case of Compounded Daily SONIA specified in the relevant Pricing Supplement as being SONIA with Lookback:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

“**d**” means, for any Interest Period, the number of calendar days in such Interest Period;

“**d<sub>0</sub>**” means, for any Interest Period, the number of London Banking Days in such Interest Period;

“**i**” means, for any Interest Period, a series of whole numbers from one to **d<sub>0</sub>**, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in such Interest Period to, and including, the last London Banking Day in such Interest Period;

“**Interest Determination Date**” means the date specified as such in the relevant Pricing Supplement;

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

“**n<sub>i</sub>**” means, for any London Banking Day “i”, the number of calendar days from, and including, such London Banking Day “i” up to, but excluding, the following London Banking Day;

“**Observation Period**” means, in respect of an Interest Period, the period from, and including, the date falling “p” London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is “p” London Banking Days prior to the Interest Payment Date for such Interest Period or the date falling “p” London Banking Days prior to such earlier date, if any, on which the Additional Tier 1 Conversion Notes become due and payable ;

“**p**” means, for any Interest Period, the number of London Banking Days specified in the relevant Pricing Supplement;

“**SONIA<sub>i</sub>**” means, in respect of any London Banking Day, “i”, a reference rate equal to the daily Sterling Overnight Index Average “**SONIA**”) rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors on the London Banking Day immediately following such London Banking Day); and

“**SONIA<sub>i-pLBD</sub>**” means, in respect of any London Banking Day “i” falling in the relevant Interest Period, the SONIA rate for the London Banking Day falling “p” London Banking Days prior to the relevant London Banking Day “i”.

If, subject to Condition 5(8), in respect of any London Banking Day in the relevant Observation Period, the SONIA rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA rate shall be: (i) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at close of business on the relevant London

Banking Day; plus (ii) the mean of the spread of the SONIA rate to the Bank Rate over the previous five days on which a SONIA rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads).

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, subject to Condition 5(8), the Rate of Interest shall be i) that determined as at the last preceding Interest Determination Date though substituting, where a different Relevant Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Relevant Margin relating to the relevant Interest Period, in place of the Relevant Margin relating to that last preceding Interest Period or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Additional Tier 1 Conversion Notes for the first Interest Period had the Additional Tier 1 Conversion Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Relevant Margin applicable to the first Interest Period).

If the relevant Series of Additional Tier 1 Conversion Notes become due and payable in accordance with Condition 8, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Pricing Supplement, be deemed to be the date on which such Additional Tier 1 Conversion Notes became due and payable and the Rate of Interest on such Additional Tier 1 Conversion Notes shall, for so long as any such Additional Tier 1 Conversion Note remains outstanding, be that determined on such date.

*For the avoidance of doubt, the formula for the calculation of Compounded Daily SONIA only compounds the SONIA Reference Rate in respect of any London Banking Day. The SONIA Reference Rate applied to a day that is a non-London Banking Day will be taken by applying the SONIA Reference Rate for the previous London Banking Day but without compounding.*

- (d) Where the Reference Rate specified in the relevant Pricing Supplement is SOFR, the Rate of Interest for each Interest Period will, subject as provided below and subject to Condition 5(9), be the relevant Benchmark plus or minus as specified in the relevant Pricing Supplement) the Relevant Margin, all as determined by the Calculation Agent on the relevant Interest Determination Date. In no event will the Rate of Interest for any Interest Period be less than the Minimum Rate of Interest.

For the purposes of this Condition 5(3) d):

“**Benchmark**” means Compounded SOFR, which is a compounded average of daily SOFR, as determined for each Interest Period in accordance with the specific formula and other provisions set out in this Condition 5(3).

*Daily SOFR rates will not be published in respect of any day that is not a U.S. Government Securities Business Day, such as a Saturday, Sunday or holiday. For this reason, in determining Compounded SOFR in accordance with the specific formula and other provisions set forth herein, the daily SOFR rate for any U.S. Government Securities Business Day that immediately precedes one or more days that are not U.S. Government Securities Business Days in the Interest Period or Observation Period, as the case may be, will be multiplied by the number of calendar days from and including such U.S. Government Securities Business Day to, but excluding, the following U.S. Government Securities Business Day.*

*If the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of Compounded SOFR (or the daily SOFR used in the calculation hereof) prior to the relevant SOFR Determination Time, then the provisions under Condition 5(9) below will apply.*

“**Business Day**” means any weekday that is a U.S. Government Securities Business Day and is not a legal holiday in New York and is not a date on which banking institutions in New York are authorised or required by law or regulation to be closed;

“**Compounded SOFR**” with respect to any Interest Period, means the rate of return of a daily compound interest investment computed in accordance with the following formula (and the

resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

(i) in the case of Compounded SOFR specified in the relevant Pricing Supplement as being Compounded SOFR with Lookback:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SOFR_{i-pUSBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

“**d<sub>0</sub>**” for any Interest Period, is the number of U.S. Government Securities Business Days in the relevant Interest Period;

“**i**” is a series of whole numbers from one to **d<sub>0</sub>**, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Interest Period;

“**SOFR<sub>i-pUSBD</sub>**” for any U.S. Government Securities Business Day “**i**” in the relevant Interest Period, is equal to SOFR in respect of the U.S. Government Securities Business Day falling “**p**” U.S. Government Securities Business Days prior to that day “**i**”;

“**n<sub>i</sub>**” for any U.S. Government Securities Business Day “**i**” in the relevant Interest Period, is the number of calendar days from, and including, such U.S. Government Securities Business Day “**i**” to, but excluding, the following U.S. Government Securities Business Day (“**i+1**”);

“**d**” is the number of calendar days in the relevant Interest Period; and

“**p**” means, for any Interest Period, the number of U.S. Government Securities Business Days specified in the relevant Pricing Supplement.

or

(ii) in the case of Compounded SOFR specified in the relevant Pricing Supplement as being Compounded SOFR with Observation Period Shift:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SOFR_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

“**d<sub>0</sub>**” for any Observation Period, is the number of U.S. Government Securities Business Days in the relevant Observation Period;

“**i**” is a series of whole numbers from one to **d<sub>0</sub>**, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Observation Period;

“**n<sub>i</sub>**” for any U.S. Government Securities Business Day “**i**” in the relevant Observation Period, is the number of calendar days from, and including, such U.S. Government Securities Business Day “**i**” to, but excluding, the following U.S. Government Securities Business Day (“**i+1**”);

“**d**” is the number of calendar days in the relevant Observation Period; and

“**SOFR<sub>i</sub>**” for any U.S. Government Securities Business Day “**i**” in the relevant Observation Period, is equal to SOFR in respect of that day “**i**”;

“**Interest Period**” means each period from, and including, an Interest Payment Date (or, in the case of the first Interest Period, the Interest Commencement Date) to, but excluding, the next Interest Payment Date or, in the case of the final Interest Period, the Maturity Date or, if the

Issuer elects to redeem the Additional Tier 1 Conversion Notes on any earlier redemption date, the relevant redemption date);

“**Observation Period**” in respect of each Interest Period means the period from, and including, the date falling “p” U.S. Government Securities Business Days preceding the first date in such Interest Period to, but excluding, the date falling “p” U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period, with “p” being the number of U.S. Government Securities Business Days specified in the relevant Pricing Supplement;

“**SOFR**” with respect to any U.S. Government Securities Business Day, means:

- i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator’s Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the “**SOFR Determination Time**”); or
- ii) if the rate specified in (i) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator’s Website;

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

“**SOFR Administrator’s Website**” means the website of the Federal Reserve Bank of New York, or any successor source; and

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

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, subject to Condition 5(10), the Rate of Interest shall be (i) that determined as at the last preceding Interest Determination Date though substituting, where a different Relevant Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Relevant Margin relating to the relevant Interest Period, in place of the Relevant Margin relating to that last preceding Interest Period) or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Additional Tier 1 Conversion Notes for the first Interest Period had the Additional Tier 1 Conversion Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Relevant Margin applicable to the first Interest Period).

If the relevant Series of Additional Tier 1 Conversion Notes become due and payable in accordance with Condition 8, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Pricing Supplement, be deemed to be the date on which such Additional Tier 1 Conversion Notes became due and payable and the Rate of Interest on such Additional Tier 1 Conversion Notes shall, for so long as any such Additional Tier 1 Conversion Note remains outstanding, be that determined on such date.

- e) Where “Index Determination” is specified in the relevant Pricing Supplement as being applicable, the Rate of Interest for each Interest Period will be the compounded daily reference rate for the relevant Interest Period, calculated in accordance with the following formula on the relevant Interest Determination Date:

$$\frac{(\text{Compounded Index End}}{\text{Compounded Index Start}} - 1) \times \frac{\text{Numerator}}{d}$$

to the Relevant Decimal Place, plus or minus the Relevant Margin (if any), all as determined and calculated by the Calculation Agent, where:

“**Compounded Index**” shall mean either SONIA Compounded Index or SOFR Compounded Index, as specified in the relevant Pricing Supplement;

“**Compounded Index End**” means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the Interest Payment Date for such Interest Period, or such other date on which the relevant payment of interest falls due but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

“**Compounded Index Start**” means the relevant Compounded Index value on the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Period (or in the first Interest Period, the Issue Date);

“**d**” is the number of calendar days from (and including) the day on which the relevant Compounded Index Start is determined to but excluding) the day on which the relevant Compounded Index End is determined;

“**Index Days**” means, in the case of the SONIA Compounded Index, London Banking Days, and, in the case of the SOFR Compounded Index, U.S. Government Securities Business Days;

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

“**Numerator**” means, in the case of the SONIA Compounded Index, 365 and, in the case of the SOFR Compounded Index, 360, or as otherwise specified in the relevant Pricing Supplement;

“**Relevant Decimal Place**” shall, unless otherwise specified in the relevant Pricing Supplement, be the fifth decimal place in the case of the SONIA Compounded Index and the seventh decimal place in the case of the SOFR Compounded Index, in each case rounded up or down, if necessary (with 0.000005 or, as the case may be, 0.00000005 being rounded upwards ;

“**Relevant Number**” shall be, unless otherwise specified in the relevant Pricing Supplement, five in the case of the SONIA Compounded Index and two in the case of the SOFR Compounded Index;

“**SOFR Compounded Index**” means the compounded daily SOFR rate as published at 3:00 p.m. (New York time) by Federal Reserve Bank of New York (or a successor administrator of SOFR on the website of the Federal Reserve Bank of New York, or any successor source;

“**SONIA Compounded Index**” means the compounded daily SONIA rate as published at 10:00 a.m. London time) by the Bank of England or a successor administrator of SONIA) on the Bank of England’s Interactive Statistical Database, or any successor source; and

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

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions, subject to Condition 5 9) or 5(10), as applicable, the Rate of Interest shall be determined for that Interest Period as if Index Determination was not specified in the applicable Pricing Supplement and as if Compounded Daily SONIA or Compounded Daily SOFR with Observation Period Shift as applicable) had been specified instead in the Pricing Supplement and where “**p**” shall be deemed to be the same as the Relevant Number specified in the Pricing Supplement.

If the relevant Series of Additional Tier 1 Conversion Notes become due and payable in accordance with Condition 8, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the relevant Pricing Supplement, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

- f) The Calculation Agent will, as soon as practicable after determining the Rate of Interest in relation to each Interest Period, calculate the Interest Amount payable in respect of the Calculation Amount specified in the relevant Pricing Supplement for the relevant Interest Period. The amount of interest shall be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the actual number of days in the Interest Period concerned divided by 360 (or, in the case of the Additional Tier 1 Conversion Notes denominated in Pounds Sterling, 365 (or, if any portion of such Interest Period falls in a leap year, the sum of  $i$  the actual number of days in that portion divided by

366 and ii) the actual number of days in the remainder of such Interest Period divided by 365 or by such other number as may be specified in the relevant Pricing Supplement, rounding the resulting figure to the nearest sub-unit of the currency in which such Notes are denominated or, as the case may be, in which such interest is payable (one half of any such sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Additional Tier 1 Conversion Note divided by the Calculation Amount. Where the Specified Denomination of such a Note comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner above) for each Calculation Amount comprising the Specified Denomination, without any further rounding. For this purpose, a “sub-unit” means, in the case of any currency other than U.S. dollar, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of U.S. dollar, means one cent.

4) ***Interest—Other Rates***

- a In the case of Dual Currency Notes as specified in the relevant Pricing Supplement, the rate or amount of interest payable shall be determined in accordance with the provisions contained in the relevant Pricing Supplement.
- (b) For Additional Tier 1 Conversion Notes other than Dual Currency Notes, in relation to which this Condition 5(4) is specified in the relevant Pricing Supplement as being applicable, shall bear interest at the rates per annum, or payable in the amounts and in the manner determined in accordance with, the relevant Pricing Supplement.

5) ***Interest—Reset Note Provisions***

- (a) This Condition 5 5) is applicable to the Additional Tier 1 Conversion Notes only if the Interest – Reset Note Provisions are specified in the relevant Pricing Supplement as being applicable.
- b Such Additional Tier 1 Conversion Notes shall bear interest on its principal amount:
  - i) from and including) the Interest Commencement Date specified in the relevant Pricing Supplement until but excluding the First Reset Date at the rate per annum equal to the Initial Rate of Interest;
  - ii) from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the relevant Pricing Supplement, the date of any final redemption at the rate per annum equal to the First Reset Rate of Interest; and
  - (iii) for each Subsequent Reset Period thereafter if any), at the rate per annum equal to the relevant Subsequent Reset Rate of Interest,

payable, in each case, in arrear on the date(s) so specified in the relevant Pricing Supplement on an Interest Payment Date (subject to adjustment as described in Condition 5(1) *Interest—Fixed Rate*) and on the date of any final redemption if that does not fall on an Interest Payment Date. The Rate of Interest and the Interest Amount payable shall be determined by the Calculation Agent, A) in the case of the Rate of Interest, at or as soon as practicable after each time at which the Rate of Interest is to be determined, and (B) in the case of the Interest Amount in accordance with the provisions for calculating amounts of interest in Condition 5(1) *Interest—Fixed Rate* .

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

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



If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest (though substituting, where a different Relevant Margin is to be applied to the relevant Reset Period from that which applied to the last preceding Reset Period, the Relevant Margin relating to the relevant Reset Period, in place of the Relevant Margin relating to that last preceding Reset Period).

6) ***Interest—Supplemental Provision***

a Condition 5(6)(b) shall be applicable in relation to the Additional Tier 1 Conversion Notes in relation to which Floating Rate Note Provisions or Reset Note Provisions are specified in the relevant Pricing Supplement as being applicable, Condition 5(6)(d) shall be applicable in relation to all Additional Tier 1 Conversion Notes and Conditions 5(6)(e) and 5(6)(f) shall be applicable in relation to Additional Tier 1 Conversion Notes in relation to which Floating Rate Note Provisions are specified in the relevant Pricing Supplement as being applicable.

(b) ***Notification***

Subject to Condition 5(8) or Condition 5(9) below, the Calculation Agent will cause each Rate of Interest, floating rate, CMT Rate, Interest Payment Date, final day of a calculation period, Interest Amount or floating amount or any other rate of interest, interest period or reset period to be determined or calculated by it to be notified to the Issuer and the Fiscal Agent. The Fiscal Agent will cause all such determinations or calculations to be notified to the other Paying Agents as soon as practicable after such determination or calculated but in any event not later than the fourth London Banking Day thereafter and, in the case of Additional Tier 1 Conversion Notes admitted to the Official List of Euronext Dublin, cause each such Rate of Interest, floating rate, CMT Rate, Interest Amount or floating amount to be notified to Euronext Dublin. The Calculation Agent will be entitled to amend any Interest Amount, floating amount, Interest Payment Date or last day of a calculation period or to make appropriate alternative arrangements by way of adjustment) without notice in the event of the extension or abbreviation of the relevant Interest Period or calculation period. For the purposes of these Conditions “**London Banking Day**” means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London.

(c) ***Reset Reference Rate Conversion***

This Condition 5(6)(c) is only applicable if Reset Reference Rate Conversion is specified in the relevant Pricing Supplement as being applicable. If Reset Reference Rate Conversion is so specified as being applicable, the First Reset Rate of Interest and, if applicable, each Subsequent Reset Rate of Interest will be converted from the Original Reset Reference Rate Basis specified in the relevant Pricing Supplement to a basis which matches the per annum frequency of Interest Payment Dates in respect of the relevant Additional Tier 1 Conversion Notes (such calculation to be determined by the Issuer in conjunction with a leading financial institution selected by it).

(d) The determination by the Calculation Agent of all rates of interest, amounts of interest and CMT Rates for the purposes of this Condition 5 shall, in the absence of manifest error, be final and binding on all parties.

e If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Pricing Supplement, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

f Unless otherwise specified in the relevant Pricing Supplement or if the Minimum Rate of Interest is specified as being “Not Applicable” in the relevant Pricing Supplement, the Minimum Rate of Interest shall be deemed to be zero.

7) ***Interest Cancellation in respect of Additional Tier 1 Conversion Notes***

The application of any of Conditions 5(1) *Interest—Fixed Rate*) to 5(6) *Interest—Supplemental Provision*) shall be subject to this Condition 5(7).

(a) *Interest Payments Discretionary*

Interest on the Additional Tier 1 Conversion Notes will be due and payable only at the sole discretion of the Issuer, and the Issuer shall have sole and absolute discretion at all times and for any reason to cancel (in whole or in part) any interest payment that would otherwise be payable on any Interest Payment Date. If the Issuer does not make an interest payment on the relevant Interest Payment Date (or if the Issuer elects to make a payment of a portion, but not all, of such interest payment), such non-payment shall evidence the Issuer's exercise of its discretion to cancel such interest payment (or the portion of such interest payment not paid), and accordingly such interest payment (or the portion thereof not paid) shall not be due and payable.

If the Issuer provides notice to cancel a portion, but not all, of an interest payment and the Issuer subsequently does not make a payment of the remaining portion of such interest payment on the relevant Interest Payment Date, such non-payment shall evidence the Issuer's exercise of its discretion to cancel such remaining portion of the interest payment, and accordingly such remaining portion of the interest payment shall also not be due and payable.

(b) *Restriction on Interest Payments*

i) Subject to the extent permitted in paragraph b)(ii) below, the Issuer shall not make an interest payment on the Additional Tier 1 Conversion Notes on any Interest Payment Date and such interest payment shall therefore be deemed to have been cancelled and thus shall not be due and payable on such Interest Payment Date :

(x) if the Issuer has an amount of Distributable Items on such Interest Payment Date that is less than the sum of all distributions or interest payments on all other own funds instruments paid and/or required to be paid in the then financial year (for the avoidance of doubt, to the extent such distributions or interest payments are required to be made out of Distributable Items); or

y if and to the extent that such payment would cause a breach of any regulatory restriction or prohibition on payments on Additional Tier 1 Instruments pursuant to Applicable Banking Regulations (including, without limitation, any such restriction or prohibition relating to any Maximum Distributable Amount applicable to the Issuer and/or the Nordea Group).

ii) The Issuer may, in its sole discretion, elect to make a partial interest payment on the Additional Tier 1 Conversion Notes on any Interest Payment Date, only to the extent that such partial interest payment may be made without breaching the restriction set out in paragraph (b)(i) above.

(c) *Effect of Interest Cancellation*

Interest will only be due and payable on an Interest Payment Date to the extent it is not cancelled in accordance with Condition 5(7)(a) or Condition 5(7)(b). Any interest cancelled (in each case, in whole or in part) in such circumstances shall not be due and shall not accumulate or be payable at any time thereafter nor constitute an event of default listed under Condition 8 *Enforcement Events*, and Holders shall have no rights thereto or to receive any additional interest or compensation as a result of such cancellation or deemed cancellation.

The Issuer may use such cancelled payments without restriction to meet its obligations as they fall due.

(d) *Notice of Interest Cancellation*

If practicable, the Issuer shall provide notice of any cancellation of interest (in whole or in part) to the Holders on or prior to the relevant Interest Payment Date. If practicable, the Issuer shall endeavour to provide such notice at least five (5) Business Days prior to the relevant Interest Payment Date. Failure to provide such notice will not have any impact on the effectiveness of, or otherwise invalidate, any such cancellation or deemed cancellation of interest, or give Holders any rights as a result of such failure.

8) **Benchmark Replacement (Independent Adviser)**

This Condition 5(8) shall apply to all Notes where Condition 5(8) is specified as being applicable in the relevant Pricing Supplement.

Notwithstanding the foregoing provisions of this Condition 5, if the Issuer in consultation with the Calculation Agent (or the person specified in the relevant Pricing Supplement as the party responsible for calculating the Rate of Interest and the Interest Amount(s)) determines that a Benchmark Event has occurred when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to a Mid-Swap Floating Leg Benchmark Rate or Reference Rate as applicable), then the following provisions shall apply:

- i) the Issuer shall use reasonable endeavours to appoint an Independent Adviser for the determination (with the Issuer's agreement of a Successor Rate or, alternatively, if the Independent Adviser and the Issuer agree that there is no Successor Rate, an alternative rate the "**Alternative Benchmark Rate**" and, in either case, an alternative screen page or source the "**Alternative Relevant Screen Page**" and an Adjustment Spread if applicable no later than three 3 Business Days prior to the relevant Reset Determination Date, LIBOR Interest Determination Date, EURIBOR Interest Determination Date, Interest Determination Date or last SOFR Determination Date as applicable relating to the next succeeding Reset Period or Interest Period (as applicable) the "**IA Determination Cut-off Date**" for purposes of determining the Rate of Interest applicable to the Additional Tier 1 Conversion Notes for all future Reset Periods or Interest Periods as applicable subject to the subsequent operation of this Condition 5 8 ;
- ii) the Alternative Benchmark Rate shall be such rate as the Independent Adviser and the Issuer acting in good faith agree has replaced the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate as applicable in customary market usage for the purposes of determining floating rates of interest or reset rates of interest in respect of eurobonds denominated in the Specified Currency, or, if the Independent Adviser and the Issuer agree that there is no such rate, such other rate as the Independent Adviser and the Issuer acting in good faith agree is most comparable to the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate, and the Alternative Relevant Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate;
- (iii) if the Issuer is unable to appoint an Independent Adviser, or if the Independent Adviser and the Issuer cannot agree upon, or cannot select a Successor Rate or an Alternative Benchmark Rate and Alternative Relevant Screen Page prior to the IA Determination Cut-off Date in accordance with sub-paragraph (ii) above, then the Issuer (acting in good faith and in a commercially reasonable manner) may determine which if any rate has replaced the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate as applicable) in customary market usage for purposes of determining floating rates of interest or reset rates of interest in respect of eurobonds denominated in the Specified Currency, or, if it determines that there is no such rate, which if any) rate is most comparable to the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate as applicable , and the Alternative Benchmark Rate shall be the rate so determined by the Issuer and the Alternative Relevant Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate; provided, however, that if this sub-paragraph (iii) applies and the Issuer is unable or unwilling to determine an Alternative Benchmark Rate and Alternative Relevant Screen Page prior to the Reset Determination Date or Interest Determination Date (as applicable) relating to the next succeeding Reset Period or Interest Period (as applicable) in accordance with this sub-paragraph (iii), the Mid-Swap Floating Leg Benchmark Rate or Reference Rate applicable to such Reset Period or Interest Period as applicable) shall be equal to the Mid-Swap Floating Leg Benchmark Rate or Reference Rate as applicable for a term equivalent to the Relevant Interest Period or Reset Period published on the Relevant Screen Page as at the last preceding Reset Date or Interest Determination Date including a LIBOR Interest Determination Date or a EURIBOR Interest Determination Date (as applicable) or, in the case of the First Reset Determination Date the Mid-Swap Rate used to determine the Initial Rate of Interest, though substituting in any such case, where a different Relevant Margin is to be applied to the relevant Reset Period or Interest Period from that which applied to the last preceding Reset Period or Interest Period or that which was used to determine the Initial Rate of Interest (as applicable), the Relevant Margin relating to the relevant Reset Period or Interest Period (as applicable , in place of the margin relating to that last preceding Reset Period or Interest Period or comprising the Initial Rate of Interest as applicable) . For the avoidance of doubt, this paragraph shall apply to the relevant next

succeeding Reset Period or Interest Period, and any subsequent Reset Periods or Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 5(8);

- iv) if a Successor Rate or an Alternative Benchmark Rate and an Alternative Relevant Screen Page is determined in accordance with the preceding provisions, such Successor Rate or Alternative Benchmark Rate and Alternative Relevant Screen Page shall be the benchmark and the Relevant Screen Page in relation to the Additional Tier 1 Conversion Notes for all future Reset Periods or Interest Periods (as applicable) (subject to the subsequent operation of this Condition 5(8));
- v) If the Issuer, following consultation with the Independent Adviser and acting in good faith, determines that A) an Adjustment Spread is required to be applied to the Successor Rate or Alternative Benchmark Rate and (B) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or Alternative Benchmark Rate for each subsequent determination of a relevant Rate of Interest and Interest Amount(s) (or a component part thereof) by reference to such Successor Rate or Alternative Benchmark Rate;
- vi) if a Successor Rate or an Alternative Benchmark Rate and/or Adjustment Spread is determined in accordance with the above provisions, the Independent Adviser (with the Issuer's agreement) or the Issuer (as the case may be), may also specify changes to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Reset Determination Date, Reset Determination Time, Interest Determination Date and/or the definition of Mid-Swap Floating Leg Benchmark Rate or Reference Rate applicable to the Additional Tier 1 Conversion Notes, and the method for determining the fallback rate in relation to the Additional Tier 1 Conversion Notes, in order to follow market practice in relation to the Successor Rate or Alternative Benchmark Rate and/or Adjustment Spread, which changes shall apply to the Additional Tier 1 Conversion Notes for all future Reset Periods or Interest Periods (as applicable) (subject to the subsequent operation of this Condition 5(8)); and
- (vii) the Issuer shall promptly, following the determination of any Successor Rate or Alternative Benchmark Rate and Alternative Relevant Screen Page and Adjustment Spread (if any), give notice thereof and of any changes pursuant to sub-paragraph vi) above to the Calculation Agent, the Fiscal Agent and the Noteholders.

**“Benchmark Event”** means:

- A) the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate (as applicable) has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or
- B) a public statement by the administrator of the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate (as applicable) that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Mid-Swap Floating Leg Benchmark Rate or Reference Rate) it has ceased or will cease publishing such Mid-Swap Floating Leg Benchmark Rate or Reference Rate permanently or indefinitely or that it will cease to do so by a specified future date; or
- C) a public statement by the supervisor of the administrator of the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate (as applicable) that such Mid-Swap Floating Leg Benchmark Rate or Reference Rate has been or will, by a specified future date, be permanently or indefinitely discontinued; or
- D) a public statement by the supervisor of the administrator of the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate (as applicable) that means that such Mid-Swap Floating Leg Benchmark Rate or Reference Rate will, by a specified future date, be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Additional Tier 1 Conversion Notes; or
- E) a public statement by the supervisor of the administrator of the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate (as applicable) that, in the view of such supervisor, i) such Mid-Swap Floating Leg Benchmark Rate or Reference Rate is or will, by a specified future date, be no longer representative of an underlying market or ii) the methodology to calculate such Mid-Swap Floating Leg Benchmark Rate or Reference Rate has materially changed; or

F it has or will, by a specified date within the following six months, become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Mid-Swap Floating Leg Benchmark Rate or Reference Rate (as applicable (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011 or such regulation as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, if applicable).

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (b), (c), (d) or (e) above, as applicable, and the specified future date in such public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed occur until the date falling six months prior to such specified future date.

Notwithstanding any other provision of this Condition 5(8), no Successor Rate or Alternative Benchmark Rate or Adjustment Spread as applicable will be adopted, and no other amendments to the terms of the Additional Tier 1 Conversion Notes will be made pursuant to this Condition 5(8), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of Additional Tier 1 Conversion Notes as Tier 1 Capital of the Issuer and/or the Nordea Group.

9) **Benchmark Replacement (ARRC)**

This Condition 5(9) shall apply to all Notes where Condition 5(9) is specified as being applicable in the relevant Pricing Supplement.

If the Issuer determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Additional Tier 1 Conversion Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of Noteholders.

Any determination, decision or election that may be made by the Issuer pursuant to this Condition 5(9), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

- (i) will be conclusive and binding absent manifest error;
- ii) will be made in the sole discretion of the Issuer; and
- (iii) notwithstanding anything to the contrary in the documentation relating to the Additional Tier 1 Conversion Notes, shall become effective without consent from the holders of the Additional Tier 1 Conversion Notes or any other party.

“**Benchmark**” means, initially, U.S. dollar LIBOR or Compounded SOFR, as the case may be; provided that if the Issuer determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to U.S. dollar LIBOR or Compounded SOFR (or the published daily SOFR used in the calculation thereof), as the case may be, or the then-current Benchmark, then “**Benchmark**” shall mean the applicable Benchmark Replacement.

“**Benchmark Replacement**” means:

A In the case of Notes where the Reference Rate or Mid-Swap Floating Leg Benchmark Rate is U.S. dollar LIBOR, the Interpolated Benchmark with respect to the then-current Benchmark; provided that if the Issuer cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then “**Benchmark Replacement**” means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- (i) the sum of: a) Term SOFR and (b) the Benchmark Replacement Adjustment;
- ii) the sum of: (a) Compounded SOFR as determined in accordance with Condition 5.3(d) above and as if Compounded Daily SOFR with Observation Period Shift had not been specified as applicable in the Final Terms or Pricing Supplement and (b) the Benchmark Replacement Adjustment;



- iii) the sum of: a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor and (b) the Benchmark Replacement Adjustment;
- iv) the sum of: a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or
- v) the sum of: a) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. Dollar-denominated floating rate notes at such time and b) the Benchmark Replacement Adjustment;

B In the case of Notes where the Reference Rate is SOFR, “**Benchmark Replacement**” means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- i) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (b) the Benchmark Replacement Adjustment;
- ii) the sum of: a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or
- iii) the sum of: a) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment;

“**Benchmark Replacement Adjustment**” means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

- i) the spread adjustment, or method for calculating or determining such spread adjustment, which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

“**Benchmark Replacement Conforming Changes**” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters that the Issuer decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer determines is reasonably necessary);

“**Benchmark Replacement Date**” means the earliest to occur of the following events with respect to the then-current Benchmark (including, in the case of Compounded SOFR, the daily published component used in the calculation thereof):

- i) in the case of clause i) or ii) of the definition of “Benchmark Transition Event”, the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- ii) in the case of clause iii) of the definition of “Benchmark Transition Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

“**Benchmark Transition Event**” means the occurrence of one or more of the following events with respect to the then-current Benchmark including, in the case of Compounded SOFR, the daily published component used in the calculation thereof):

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark or such component announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark or such component, an insolvency official with jurisdiction over the administrator for the Benchmark or such component, a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

“**Corresponding Tenor**” with respect to a Benchmark Replacement means a tenor (including overnight having approximately the same length disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

“**Interpolated Benchmark**” with respect to the Benchmark means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: A the Benchmark for the longest period (for which the Benchmark is available that is shorter than the Corresponding Tenor and (B) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

“**ISDA Definitions**” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

“**ISDA Fallback Adjustment**” means the spread adjustment which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

“**ISDA Fallback Rate**” means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“**Reference Time**” with respect to any determination of the Benchmark means (i if the Benchmark is LIBOR, the Relevant Time, ii if the Benchmark is Compounded SOFR, the SOFR Determination Time, and (iii) if the Benchmark is neither LIBOR nor Compounded SOFR, the time determined by the Issuer after giving effect to the Benchmark Replacement Conforming Changes;

“**Relevant Governmental Body**” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

“**Term SOFR**” means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR as defined in Condition 5(3)(d) above) that has been selected or recommended by the Relevant Governmental Body; and

“**Unadjusted Benchmark Replacement**” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under this Condition 5(9) will be notified promptly by the Issuer to the Fiscal Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 15 *Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer:

- A) confirming (x) that a Benchmark Transition Event has occurred, y) the relevant Benchmark Replacement and, z where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 5(9); and
- B) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.

Notwithstanding any other provision of this Condition 5(9), no Benchmark Replacement will be adopted, and no other amendments to the terms of the Additional Tier 1 Conversion Notes will be made pursuant to this Condition 5(9), if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Additional Tier 1 Conversion Notes as Tier 1 Capital of the Issuer and/or the Nordea Group.

## 6. Redemption and Repurchase

### a) *No fixed redemption date*

The Additional Tier 1 Conversion Notes shall be perpetual and shall have no final maturity.

### b) *Early Redemption for Taxation Reasons—Withholding Tax*

If, in relation to any Series of Additional Tier 1 Conversion Notes and if specified as applicable in the Pricing Supplement, as a result of any change in the laws or regulations of any Taxing Jurisdiction or of any political subdivision thereof or any authority or agency therein or thereof having power to tax or in the interpretation or administration of any such laws or regulations which becomes effective on or after the Issue Date of such Additional Tier 1 Conversion Notes on the occasion of the next payment due in respect of such Additional Tier 1 Conversion Notes the Issuer would be required to pay additional amounts as provided in Condition 9 *Taxation* (a “**Withholding Tax Event**”), the Issuer may, at any time following the occurrence of such Withholding Tax Event, at its option and subject to the extent applicable to the Conditions to Redemption and Condition 6(g) *Trigger Event Post Redemption Notice*, having given not less than 15 nor more than 60 days’ notice (ending, in the case of Additional Tier 1 Conversion Notes which bear interest at a floating rate, on a day upon which interest is payable) to the Holders in accordance with Condition 15 *Notices*) redeem all (but not some only) the Additional Tier 1 Conversion Notes of the relevant Series at their principal amount or at the redemption amount referred to in Condition 6(g) *Trigger Event Post Redemption Notice*), together with accrued interest (if any thereon (excluding any interest cancelled in accordance with Condition 5(7) *Interest Cancellation in respect of Additional Tier 1 Conversion Notes*)).

### c) *Early Redemption as a result of a Tax Event*

At any time following the occurrence of a Tax Event (if specified as applicable in the Pricing Supplement, but subject to the extent applicable) to the Conditions to Redemption and Condition 6(g) *Trigger Event Post Redemption Notice*, the Issuer may having given not less than 15 days’ nor more than 60 days’ notice (ending, in the case of Additional Tier 1 Conversion Notes which bear interest at a floating rate, on a day upon which interest is payable) to the Holders of Additional Tier 1 Conversion Notes in accordance with Condition 15 (Notices) redeem all (but not some only) of the outstanding Additional Tier 1 Conversion Notes at any time at a redemption amount equal to their principal amount together with interest accrued to but excluding the date of redemption (excluding any interest cancelled in accordance with Condition 5(7) *Interest Cancellation in respect of Additional Tier 1 Conversion Notes*)).

### d) *Early Redemption as a result of a Capital Event*

At any time following the occurrence of a Capital Event (if specified as applicable in the Pricing Supplement but subject to the extent applicable) to the Conditions to Redemption and Condition 6(g)

*Trigger Event Post Redemption Notice*), the Issuer may, at its option, having given not less than 15 days' nor more than 60 days' notice (ending, in the case of Additional Tier 1 Conversion Notes which bear interest at a floating rate, on a day upon which interest is payable to the Holders in accordance with Condition 15 *Notices*), at any time redeem all (but not some only) of the Additional Tier 1 Conversion Notes of the relevant Series at its principal amount or at the redemption amount referred to in Condition 6(g) *Trigger Event Post Redemption Notice*, together with interest (if any) accrued to but excluding the date of redemption (excluding any interest cancelled in accordance with Condition 5(7) *Interest Cancellation in respect of Additional Tier 1 Conversion Notes*).

e) **Optional Early Redemption (Call)**

If this Condition 6(e) is specified in the relevant Pricing Supplement as being applicable, then the Issuer may subject to the Conditions to Redemption and Condition 6(g) (*Trigger Event Post Redemption Notice*) upon the expiry of the appropriate notice and subject to such terms and conditions as may be specified in the relevant Pricing Supplement, redeem all (but not some only) the Additional Tier 1 Conversion Notes of the relevant Series at its principal amount, together with accrued interest (if any) thereon (excluding any interest cancelled in accordance with Condition 5(7) *Interest Cancellation in respect of Additional Tier 1 Conversion Notes*)). If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Pricing Supplement, then the redemption amount shall in no event be greater than the maximum or be less than the minimum so specified.

The appropriate notice referred to in this Condition 6(e) is a notice given by the Issuer to the Fiscal Agent and the Holders of the Additional Tier 1 Conversion Notes not less than 15 days (or such lesser or other period as may be specified in the relevant Pricing Supplement) prior to the relevant Optional Redemption Date, which notice shall be signed by two duly authorised officers of the Issuer and shall specify:

- i) the Series of Additional Tier 1 Conversion Notes subject to redemption;
- ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Additional Tier 1 Conversion Notes which are to be redeemed;
- (iii) the relevant Optional Redemption Date; and
- iv) the amount at which such Additional Tier 1 Conversion Notes are to be redeemed, which shall be their principal amount (or such other amount as may be specified in the relevant Pricing Supplement) together with, in the case of Additional Tier 1 Conversion Notes which bear interest, accrued interest thereon (excluding any interest cancelled in accordance with Condition 5(7) *Interest Cancellation in respect of Additional Tier 1 Conversion Notes*).

The “**Optional Redemption Date(s)**” shall be specified in the relevant Pricing Supplement and shall, in the case of Additional Tier 1 Conversion Notes which bear interest at a floating rate at the time of redemption, be a date upon which interest is payable.

(f) **Conditions to Redemption or Repurchase**

The Issuer may redeem or repurchase the Additional Tier 1 Conversion Notes and give notice thereof to the Holders only if such redemption or repurchase is in accordance with the Applicable Banking Regulations (including any applicable limits provided in Article 78(1) of CRR) and it has been granted the permission of the Competent Authority (if such permission is then required under the Applicable Banking Regulations) and in addition either:

- (i) before or at the same time as such redemption or repurchase of the Additional Tier 1 Conversion Notes, the Issuer replaces the Additional Tier 1 Conversion Notes with own funds instruments of an equal or higher quality on terms that are sustainable for its income capacity; or
- ii) the Issuer has demonstrated to the satisfaction of the Competent Authority that its own funds and eligible liabilities would, following such redemption or repurchase, exceed the requirements under the Applicable Banking Regulations by a margin that the Competent Authority considers necessary.

Further, in the case of any redemption or repurchase before five years after the issue date of the Additional Tier 1 Conversion Notes:

- a) the conditions listed in paragraphs (i) or (ii) above are met and either
  - A in the case of redemption due to the occurrence of a Capital Event, i) the Competent Authority considers such change to be sufficiently certain and (ii) the Issuer demonstrates to the satisfaction of the Competent Authority that the Capital Event was not reasonably foreseeable at the time of the issuance of the Additional Tier 1 Conversion Notes; or
  - B) in the case of redemption due to the occurrence of a Withholding Tax Event or Tax Event, the Issuer demonstrates to the satisfaction of the Competent Authority that such Withholding Tax Event or Tax Event is material and was not reasonably foreseeable at the time of issuance of the Additional Tier 1 Conversion Notes; or
  - C) before or at the same time of such redemption or repurchase, the Issuer replaces the Additional Tier 1 Conversion Notes with own funds instruments of equal or higher quality at terms that are sustainable for its income capacity and the Competent Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or
  - D the Additional Tier 1 Conversion Notes are repurchased for market making purposes.
- g) ***Trigger Event Post Redemption Notice***

If the Issuer has elected to redeem the Additional Tier 1 Conversion Notes but prior to the payment of the redemption amount with respect to such redemption, a Trigger Event occurs, the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, no payment of the redemption amount will be due and payable and an Automatic Conversion shall occur in accordance with Condition 7 *Loss Absorption Mechanism* .
- h) ***Repurchase of the Additional Tier 1 Conversion Notes***

The Issuer and its subsidiaries if any may, if in accordance with the Applicable Banking Regulations (including any applicable limits provided in Article 78 1) of CRR), at any time repurchase Additional Tier 1 Conversion Notes in the open market or otherwise and at any price and provided that any such repurchases shall be subject to the Conditions to Redemption set out above.
- i) ***Cancellation of Redeemed and Repurchased Additional Tier 1 Conversion Notes***

All Additional Tier 1 Conversion Notes redeemed or repurchased in accordance with this Condition 6 will be cancelled and may not be reissued or resold. References in this Condition 6(j) to the repurchase of the Additional Tier 1 Conversion Notes by the Issuer shall not include the repurchase of Additional Tier 1 Conversion Notes in the ordinary course of business of dealing in securities or the repurchase of Additional Tier 1 Conversion Notes otherwise than as beneficial owner.

## 7. Loss Absorption Mechanism

- a) ***Automatic Conversion Upon Trigger Event***
  - (i) Automatic Conversion: If a Trigger Event has occurred at any time, then an Automatic Conversion will be deemed to have occurred immediately at such time (the date on which such Trigger Event occurs being the “**Conversion Date**”), and the Additional Tier 1 Conversion Notes will be converted into newly issued Conversion Shares at the prevailing Conversion Price as provided in this Condition 7. Prior to any delivery of Conversion Shares to a Noteholder, there will first be a Settlement Shares Offer in accordance with Condition 7(e) *Settlement Shares Offer*).



- ii) Effect of Automatic Conversion: From and including the Conversion Date:
- A) the principal amount of the Additional Tier 1 Conversion Notes will be written down to zero and, accordingly, the principal amount of the Additional Tier 1 Conversion Notes shall equal zero at all times thereafter;
  - B) any interest in respect of an Interest Period ending on any Interest Payment Date falling on or after the Conversion Date shall be automatically cancelled and shall not be due and payable;
  - C) no Noteholder will have any rights against the Issuer with respect to the repayment of the principal amount of the Additional Tier 1 Conversion Notes or the payment of interest or any other amount on or in respect of such Additional Tier 1 Conversion Notes, which obligations and liabilities of the Issuer shall be irrevocably and automatically released; and
  - D) subject to Condition 7 e) *Settlement Shares Offer*) and the last paragraph of Condition 7(f) *Settlement Procedures*), the Issuer's only obligations and liabilities under the Additional Tier 1 Conversion Notes shall be an obligation to deliver Conversion Shares to the Settlement Shares Depositary on behalf of the Noteholders on the Registration Date in accordance with this Condition 7.

An Automatic Conversion shall not constitute an event of default or a breach of the Issuer's obligations or duties or a failure to perform by the Issuer in any manner whatsoever and shall not, of itself, entitle Noteholders to petition for the insolvency or dissolution of the Issuer or otherwise.

- iii) No option to convert: The Additional Tier 1 Conversion Notes are not convertible into Conversion Shares at the option of the Noteholders or the Issuer at any time.

b) ***Automatic Conversion Procedure***

If an Automatic Conversion has occurred, the Issuer shall immediately inform the Competent Authority and shall deliver an Automatic Conversion Notice to the Noteholders in accordance with Condition 15 *Notices*) and to the Fiscal Agent as soon as reasonably practicable and in any event not more than five (5) Business Days after the occurrence of the Trigger Event or within such shorter period as the Competent Authority may require .

The Issuer shall further give notice to Noteholders in accordance with Condition 15 (Notices) and to the Fiscal Agent as soon as reasonably practicable following the giving of the Automatic Conversion Notice of the details of the arrangements for the settlement of the Automatic Conversion, including the details relating to the Settlement Shares Offer, the name and appointment date of the Settlement Shares Offer Agent, the expected Registration Date, the first and final day of the Offer Settlement Period and, if relevant, the name and appointment date of any Selling Agent (the "**Automatic Conversion Settlement Notice**").

Notwithstanding Condition 15 *Notices*), each of the Automatic Conversion Notice and the Automatic Conversion Settlement Notice shall be deemed to have been given on the date on which it is dispatched to the Noteholders. Failure to provide such notice will not have any impact on the effectiveness of, or otherwise invalidate, any such Automatic Conversion or give Noteholders any rights as a result of such failure.

*Simultaneously with the delivery of the Automatic Conversion Notice to the Holders, or as soon as possible thereafter, the Issuer shall procure that a similar notice is, or has been, given in respect of any Loss Absorbing Instruments to be written down or converted concurrently, or substantially concurrently (in accordance with their terms).*

c) ***The Conversion Shares***

The number of Conversion Shares which are to be issued in respect of each Additional Tier 1 Conversion Note shall be determined by dividing the principal amount of such Additional Tier 1 Conversion Note by the Conversion Price rounded down, if necessary, to the nearest whole number of Conversion Shares. Fractions of Conversion Shares will not be issued following an Automatic Conversion and no cash payment will be made in lieu thereof.

The Conversion Shares resulting from an Automatic Conversion will be fully paid and non-assessable and will in all respects rank *pari passu* with all other Ordinary Shares in issue on the Registration Date, except in any such case for any right excluded by mandatory provisions of applicable law and except that the Conversion Shares so issued will not rank for the purposes of or, as the case may be, the relevant Noteholder shall not be entitled to receive any rights, the entitlement to which falls prior to the Registration Date. The Conversion Shares will carry a right to dividends, distributions and rights having a record date that occurs on or after the registration of the Conversion Shares (whether in the form of interim shares or regular shares) with the Central Securities Depository (the date such registration occurs being the “**Registration Date**”).

The Issuer shall use reasonable endeavours to ensure that its issued and outstanding Ordinary Shares and Conversion Shares, as the case may be, will be admitted to listing and trading on the Relevant Stock Exchange.

d) ***Delivery of Conversion Shares to Settlement Shares Depository***

Subject to Condition 7 f)(vii), the obligation of the Issuer to issue and deliver Conversion Shares to a Noteholder shall be satisfied by the delivery of the Conversion Shares in respect of the Additional Tier 1 Conversion Note(s) of such Noteholder to the Settlement Shares Depository on the Registration Date. Such delivery will be deemed to have occurred when the Conversion Shares are registered (whether as interim shares or regular shares) in the name of the Settlement Shares Depository by the Central Securities Depository. With effect on and from the Registration Date, a Noteholder shall have recourse only to: (i) the Settlement Shares Depository for the delivery of the number of Conversion Shares determined in respect of its Additional Tier 1 Conversion Note(s) in accordance with Condition 7(c) (*The Conversion Shares*), (ii) the Settlement Shares Offer Agent in respect of the delivery of any cash amounts to which such Noteholder may be entitled in accordance with Condition 7(e) (*Settlement Shares Offer*), or (iii) the Settlement Shares Depository or Selling Agent, as the case may be, in respect of any Cash Proceeds to which such Noteholder may be entitled in accordance with Condition 7(f) (*Settlement Procedures*).

As soon as reasonably practicable and not later than one month following the occurrence of a Trigger Event, the Issuer shall request and procure the registration of the Conversion Shares with (i) the Finnish Trade Register, and (ii) the Central Securities Depository; and on the Registration Date, the Issuer shall deliver in accordance with the first paragraph of this Condition 7(d) to the Settlement Shares Depository such number of Conversion Shares as is required to satisfy in full its obligation to deliver Conversion Shares on the Registration Date.

e) ***Settlement Shares Offer***

(i) Prior to the date of the Automatic Conversion Settlement Notice, the Issuer shall appoint a placement agent (the “**Settlement Shares Offer Agent**”) acting on behalf, and for the account, of the Noteholders to conduct an offering of the Conversion Shares (the “**Settlement Shares Offer**”), which Settlement Shares Offer Agent may be the Issuer or a third party. Subject to applicable laws and regulations, the Settlement Shares Offer shall be made on a *pro rata* basis to all shareholders of the Issuer on the applicable record date who are eligible to participate in the Settlement Shares Offer (as determined by the Issuer in accordance with applicable laws and regulations). In the relevant Automatic Conversion Settlement Notice, the Issuer shall notify Noteholders of the appointment of the Settlement Shares Offer Agent to conduct the Settlement Shares Offer and its identity and appointment date. The Settlement Shares Depository shall deliver the relevant Conversion Shares to or to the order of the Settlement Shares Offer Agent for this purpose prior to the end of the Offer Settlement Period (as defined below). The Conversion Shares shall be offered to such shareholders pursuant to the Settlement Shares Offer at a price per Conversion Share equal to the Conversion Price plus the amount necessary to provide for the payment by subscribing shareholders of the Settlement Shares Offer Expenses (as defined below) in order that the cash proceeds received from the Settlement Shares Offer will result in the payment to Noteholders in respect of each Conversion Share to which they would otherwise have been entitled of an amount not less than the Conversion Price. The Settlement Shares Offer shall, to the extent reasonably practicable, be completed in a period of no more than 40 Business Days from and including) the Business Day immediately following the Conversion Date to and including) the date of completion of the Settlement Shares Offer as notified to the Noteholders in the Automatic Conversion Settlement Notice (such period, the “**Offer Settlement Period**”), subject to applicable laws and regulations. Neither the Issuer nor the Settlement Shares Depository shall incur any liability whatsoever to the Noteholders in respect of the appointment of the Settlement Shares Offer Agent or its conduct.

- ii) In the event of the Settlement Shares Offer being fully subscribed on or before the final day of the Offer Settlement Period, Noteholders shall, pursuant to the agreement appointing the Settlement Shares Offer Agent, be entitled to receive from the Settlement Shares Offer Agent on the fifth Business Day from and including) the Business Day immediately following the end of the Offer Settlement Period (the “**Offer Settlement Date**”), in respect of each Conversion Share to which they were otherwise entitled, the cash proceeds realised from such sale of such Conversion Share in the Settlement Shares Offer (being an amount not less than the Conversion Price after the deduction by or on behalf of the Settlement Shares Offer Agent and the Settlement Shares Depository of any amount payable in respect of any stamp duty, stamp duty reserve tax, or any other capital, issue, transfer, registration, financial transaction or documentary tax that may arise as a consequence of the sale of Conversion Shares pursuant to the Settlement Shares Offer and any fees or costs incurred by or on behalf of the Issuer, the Settlement Shares Offer Agent or the Settlement Shares Depository in connection with the sale of the Conversion Shares pursuant to the Settlement Shares Offer (the “**Settlement Shares Offer Expenses**”)).
  - (iii) In the event that the Settlement Shares Offer is only partially subscribed, Noteholders shall in aggregate be entitled to receive the pro rata share attributable to their Notes of: a from the Settlement Shares Offer Agent, pursuant to the agreement appointing the Settlement Shares Offer Agent and on the Offer Settlement Date, the cash proceeds realised from the sale of the relevant Conversion Shares in such Settlement Shares Offer after the deduction of the Settlement Shares Offer Expenses), which shall be an amount not less than the Conversion Price multiplied by the aggregate number of Conversion Shares sold on the Offer Settlement Date; and (b) from the Settlement Shares Depository in accordance with Condition 7 f *Settlement Procedures*) on the Offer Settlement Date or as soon as reasonably practicable thereafter the number of Conversion Shares not subscribed pursuant to the Settlement Shares Offer, rounded down, if necessary, to the nearest whole number of Conversion Shares. Fractions of Conversion Shares will not be issued and no cash payment will be made in lieu thereof.
  - iv) In the case that no Conversion Shares are subscribed in the Settlement Shares Offer, Noteholders shall be entitled to receive the pro rata share attributable to their Notes of the relevant Conversion Shares from the Settlement Shares Depository in accordance with Condition 7(f) *Settlement Procedures*) on the Offer Settlement Date or as soon as reasonably practicable thereafter. The Issuer shall give notice of the Offer Settlement Date and the Notice Cut-off Date to Noteholders in accordance with Condition 15 *Notices* promptly following the commencement of the Settlement Shares Offer, which Notice Cut-off Date shall be not less than 15 Business Days following the date of such notice. Any Conversion Shares not subscribed pursuant to the Settlement Shares Offer shall be re-delivered to the Settlement Shares Depository for further delivery to Noteholders, as contemplated by this Condition 7(e).
  - (v) If any cash proceeds to be received by the Noteholders in this Condition 7(e) are expressed in a currency other than the Relevant Currency, the Settlement Shares Offer Agent shall convert the relevant cash proceeds into the Relevant Currency at the Prevailing Exchange Rate as at the last day of the Offer Settlement Period and the cash proceeds shall be paid to Noteholders in the Relevant Currency.
  - (vi) Any Settlement Shares Offer shall be made subject to applicable laws and regulations in effect at the relevant time and if such Settlement Shares Offer would, in the opinion of the Issuer, not comply with such laws and regulations, the Settlement Shares Offer will not be conducted and Noteholders will receive the pro rata share attributable to their Notes of the relevant Conversion Shares in accordance with these Conditions.
- (f) ***Settlement Procedures***
- (i) In order to obtain delivery of any relevant Conversion Shares from the Settlement Shares Depository in the circumstances described in Condition 7(e) *Settlement Shares Offer*), each Noteholder shall deliver a duly completed irrevocable Delivery Notice to the Paying and Conversion Agent at its specified office, together with its Additional Tier 1 Conversion Notes, by no later than the fifth Business Day immediately preceding the Offer Settlement Date or, if a Settlement Shares Offer has not been conducted pursuant to Condition 7(e)(vi), the date set for such delivery by the Settlement Shares Depository, such date being the “**Notice Cut-off Date**”).
  - ii) Upon notification by the Issuer or Settlement Shares Offer Agent, as the case may be, to the Paying and Conversion Agent of the number of Conversion Shares to be delivered under this Condition 7(f), the Paying and Conversion Agent shall give instructions to the Settlement

Shares Depository for the relevant Conversion Shares to be delivered by the Settlement Shares Depository to each Noteholder on the Offer Settlement Date or, if a Settlement Shares Offer has not been conducted pursuant to Condition 7(e)(vi), the date set for such delivery by the Settlement Shares Depository, or as soon as practicable thereafter in accordance with the instructions given in the relevant Delivery Notice, provided that such duly completed Delivery Notice and the relevant Additional Tier 1 Conversion Notes have been so delivered to the Paying and Conversion Agent not later than the Notice Cut-off Date.

- (iii) Any determination as to whether any Delivery Notice has been properly completed and delivered together with the relevant Additional Tier 1 Conversion Note(s) as provided in these Conditions shall be made by the Settlement Shares Depository in its sole discretion and shall be conclusive and binding on the relevant Noteholder.
  - iv) In the case of any Noteholder which fails to deliver a valid Delivery Notice and the relevant Additional Tier 1 Conversion Note(s) prior to the Notice Cut-off Date (each, an “**Affected Noteholder**”), the relevant Conversion Shares shall, for a period of ten (10) Business Days from (and including the Notice Cut-Off Date, continue to be held on trust (or other similar arrangement) by the Settlement Shares Depository for such Noteholder until such Noteholder delivers a duly completed Delivery Notice and the relevant Additional Tier 1 Conversion Note(s) and subject to Condition 7(g)(i) (*Entitlement to Conversion Shares or Cash Proceeds*) below. Following such ten (10) Business Day period, the Settlement Shares Depository shall use its reasonable endeavours to appoint a selling agent (the “**Selling Agent**” to sell the relevant Conversion Shares in the open market and it shall hold the cash proceeds (the “**Cash Proceeds**”) received from such sale after deduction of any costs or expenses incurred by it in relation thereto) on trust (or other similar arrangement) on behalf of the Affected Noteholder until such Affected Noteholder delivers a duly completed Delivery Notice and the relevant Additional Tier 1 Conversion Note(s), subject to a ten (10) year prescription period and subject to Condition 7(g) i) (*Entitlement to Conversion Shares or Cash Proceeds*) below.
  - (v) The Issuer shall notify Noteholders whether a Selling Agent has been appointed for the sale of any such Conversion Shares as soon as practicable after such appointment. Subject to the deduction by or on behalf of each of the Selling Agent and the Settlement Shares Depository of any amount payable in respect of any stamp duty, stamp duty reserve tax, or any other capital, issue, transfer, registration, financial transaction or documentary tax and any fees or costs incurred by or on behalf of the Selling Agent or, failing which, the Settlement Shares Depository in connection with the sale thereof, the net proceeds of any such sale of Conversion Shares, converted, if necessary, into the Specified Currency at the Prevailing Exchange Rate on the date of sale of such Conversion Shares, shall as soon as reasonably practicable be distributed rateably by the Settlement Shares Depository to the relevant Noteholders in accordance with Condition 10 *Payments* or in such other manner and at such time as shall be notified to the relevant Noteholders in accordance with Condition 15 *Notices* and to the Fiscal Agent. Such payment shall for all purposes discharge the obligations of the Issuer, the Settlement Shares Depository and the Selling Agent in respect of the Automatic Conversion of the relevant Additional Tier 1 Conversion Notes.
  - vi) For so long as the Conversion Shares are held by the Settlement Shares Depository on behalf of each Noteholder, the Settlement Shares Depository, subject to applicable laws, shall also hold any Cash Dividends and any other dividends or rights distributed to all other Shareholders as a class in respect of such Conversion Shares on trust (or other similar arrangement) for such Noteholder. The Settlement Shares Depository shall use its reasonable endeavours to sell any such rights in the open market before expiry and it shall hold the cash proceeds received from such sale (after deduction of any costs or expenses incurred by it in relation thereto) on trust (or other similar arrangement) on behalf of each Noteholder. Cash Dividend(s) and other dividends or rights or proceeds therefrom shall be paid to the relevant Noteholder in accordance with the instructions given in the relevant Delivery Notice.
  - vii) Delivery of the Conversion Shares by the Settlement Shares Depository to the Noteholders will be made solely by book-entry with the Central Securities Depository and no physical share certificate will be delivered to any Noteholder in respect of any Conversion Share.
- g) ***Entitlement to Conversion Shares or Cash Proceeds***
- (i) Any Affected Noteholder delivering a Delivery Notice after the Notice Cut-off Date will have to provide evidence of its entitlement to the relevant Conversion Shares or Cash Proceeds as the case may be satisfactory to the Settlement Shares Depository in its sole and absolute

discretion in order to receive delivery of such Conversion Shares or Cash Proceeds (as the case may be).

- ii) Neither the Settlement Shares Depositary nor the Issuer shall have any liability to any Noteholder for any loss resulting from such Noteholder not receiving any Conversion Shares (or Cash Proceeds) or from any delay in the receipt thereof, in each case as a result of such Noteholder failing to duly submit a Delivery Notice and the relevant Additional Tier 1 Conversion Notes, if applicable, on a timely basis or at all.
- iii) Neither the Issuer nor the Settlement Shares Depositary shall have any liability in respect of the sale of any Conversion Shares or rights, whether for the timing of any such sale or the price at or manner in which any such Conversion Shares or rights are sold or the inability to sell any such Conversion Shares or rights.

h) **Taxes**

Neither the Issuer, nor any of its subsidiaries nor the Settlement Shares Offer Agent, Selling Agent or Settlement Shares Depositary shall be liable for any stamp duty, stamp duty reserve tax, or any other capital, issue, transfer, registration, financial transaction or documentary tax that may arise or be paid as a consequence of the delivery of Conversion Shares, which tax shall be borne solely by the Noteholder.

i) **Adjustment of Floor Price**

Upon the happening of any of the events described below, the Floor Price shall be adjusted as follows, subject always to the proviso set out in the definition of Floor Price:

- (i) If and whenever there shall be a consolidation, reclassification or subdivision in relation to the Ordinary Shares which alters the number of Ordinary Shares in issue, the Floor Price shall be adjusted by multiplying the Floor Price in force immediately prior to such consolidation, reclassification or subdivision by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Ordinary Shares in issue immediately before such consolidation, reclassification or subdivision, as the case may be; and
- B is the aggregate number of Ordinary Shares in issue immediately after, and as a result of, such consolidation, reclassification or subdivision, as the case may be.

Such adjustment shall become effective on the date the consolidation, reclassification or subdivision, as the case may be, takes effect.

- ii) If and whenever the Issuer shall issue any Ordinary Shares to Shareholders as a class credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve), the Floor Price shall be adjusted by multiplying the Floor Price in force immediately prior to such issue by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Ordinary Shares in issue immediately before such issue; and
- B is the aggregate number of Ordinary Shares in issue immediately after such issue.

Such adjustment shall become effective on the date of issue of such Ordinary Shares.

- iii) If and whenever the Issuer shall issue Ordinary Shares to all or substantially all Shareholders as a class by way of rights, or the Issuer or any of its subsidiaries or (at the direction or request or pursuant to arrangements with the Issuer or any of its subsidiaries) any other company, person or entity shall issue or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase Ordinary Shares, or any Securities which by their



terms of issue carry directly or indirectly) rights of conversion into, or exchange or subscription for, any Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued), in each case at a price per Ordinary Share which is less than 95 per cent of the Current Market Price per Ordinary Share on the relevant Effective Date, the Floor Price shall be adjusted by multiplying the Floor Price in force immediately prior to the relevant Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue on the relevant Effective Date;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares issued by way of rights, or for the Securities issued by way of rights, or for the options or warrants or other rights issued by way of rights and for the total number of Ordinary Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Ordinary Share on the relevant Effective Date; and
- C is the number of Ordinary Shares to be issued or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase in respect thereof at the initial conversion, exchange, subscription or purchase price or rate,

provided that if, on the relevant Effective Date, such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this Condition 7(i)(iii), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the relevant Effective Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the relevant Effective Date.

Such adjustment shall become effective on the relevant Effective Date.

Notwithstanding the foregoing provisions:

- (A) where the events or circumstances giving rise to any adjustment pursuant to this Condition 7(i) have already resulted or will result in an adjustment to the Floor Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Floor Price or where more than one event which gives rise to an adjustment to the Floor Price occurs within such a short period of time that, in the opinion of the Issuer, a modification to the operation of the adjustment provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be determined in good faith by an Independent Adviser to be in its opinion appropriate to give the intended result;
- (B) such modification shall be made to the operation of these Conditions as may be determined in good faith by an Independent Adviser to be in its opinion appropriate (i) to ensure that an adjustment to the Floor Price or the economic effect thereof shall not be taken into account more than once, and (ii) to reflect a redenomination of the issued Ordinary Shares for the time being into a new currency; and
- (C) for the avoidance of doubt, the issue of Ordinary Shares upon an Automatic Conversion or upon any conversion or exchange in respect of any other Securities or the exercise of any other options, warrants or other rights shall not result in an adjustment to the Floor Price.

j) ***Determination of Consideration Receivable***

For the purpose of any calculation of the consideration receivable or price pursuant to Condition 7(i)(iii) *Adjustment of Floor Price*, the following provisions shall apply:

- (i) the aggregate consideration receivable or price for Ordinary Shares issued for cash shall be the amount of such cash;
- ii) x) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the conversion or exchange of any Securities shall be deemed to be the consideration or price received or receivable for any such Securities and (y) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any Securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such Securities or, as the case may be, for such options, warrants or rights which are attributed by the Issuer to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at the relevant Effective Date, plus in the case of each of x) and (y) above, the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such Securities, or upon the exercise of such rights of subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and z) the consideration receivable or price per Ordinary Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in (x) or y) above as the case may be divided by the number of Ordinary Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate;
- (iii) if the consideration or price determined pursuant to i) or ii) above or any component thereof shall be expressed in a currency other than the Relevant Currency, it shall be translated into the Relevant Currency at the Prevailing Exchange Rate on the relevant Effective Date in the case of (i) above) or the relevant date of first public announcement in the case of (ii) above);
- iv) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Ordinary Shares or Securities or options, warrants or rights, or otherwise in connection therewith; and
- (v) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity.

k) ***Decision of an Independent Adviser***

If any doubt shall arise as to whether an adjustment shall be made to the Floor Price or as to the appropriate adjustment to the Floor Price, the Issuer may at its discretion appoint an Independent Adviser and, following consultation between the Issuer and such Independent Adviser, a written opinion of such Independent Adviser in respect thereof shall be conclusive and binding on the Issuer and the Noteholders, save in the case of manifest error.

l) ***Share Option Schemes, Dividend Reinvestment Plans***

No adjustment will be made to the Floor Price where Ordinary Shares or other Securities (including rights, warrants and options) are issued, offered, exercised, allotted, purchased, appropriated, modified or granted to, or for the benefit of, employees or former employees (including directors holding or formerly holding executive office or the personal service company of any such person) or their spouses or relatives, in each case, of the Issuer or any of its subsidiaries or any associated company or to a trustee or trustees to be held for the benefit of any such person, in any such case pursuant to any share or option scheme.

(m) ***Rounding Down and Notice of Adjustment to the Floor Price***

On any adjustment, if the resultant Floor Price has more decimal places than the initial Floor Price, it shall be rounded to the same number of decimal places as the initial Floor Price. No adjustment shall be made to the Floor Price where such adjustment (rounded down if applicable) would be less than one per

cent of the Floor Price then in effect. Any adjustment not required to be made, and/or any amount by which the Floor Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

Notice of any adjustments to the Floor Price shall be given by the Issuer to Noteholders promptly after the determination thereof in accordance with Condition 15 (Notices) and to the Paying and Conversion Agent.

The Floor Price shall not in any event be reduced to below the quota value of an Ordinary Share for the time being. The Issuer undertakes that it shall not take any action, and shall procure that no action is taken, that would otherwise result in an adjustment to the Floor Price to below the quota value of the Ordinary Shares immediately prior to Automatic Conversion translated into the Specified Currency at the then Prevailing Exchange Rate.

n) ***Appointment of Third Parties***

Where the provisions of this Condition 7 *Loss Absorption Mechanism* require or provide for a determination by an Independent Adviser or a role to be performed by a Settlement Shares Depositary, and/or a Settlement Shares Offer Agent and/or Selling Agent, the Issuer shall use all reasonable endeavours promptly to appoint such person for such purpose.

If the Issuer has been unable to appoint a Settlement Shares Depositary, it shall make such other arrangements for the issuance and/or delivery of the Conversion Shares to the Noteholders and the conduct of the Settlement Shares Offer as it shall consider reasonable in the circumstances, which may include issuing the Conversion Shares to the Noteholders directly, which arrangements shall irrevocably and automatically release all of the Issuer's obligations under the Additional Tier 1 Conversion Notes as if the Conversion Shares had been issued to the Settlement Shares Depositary. In such circumstances, the Issuer will specify details about the relevant arrangements in the Automatic Conversion Settlement Notice.

If the Settlement Shares Depositary has been unable to appoint the Selling Agent, or if any Conversion Shares are not sold by the Selling Agent in accordance with Condition 7(f) *Settlement Procedures*), such Conversion Shares shall continue to be held by the Settlement Shares Depositary on trust (or other similar arrangement on behalf of the Affected Noteholder) until the relevant Affected Noteholder delivers a duly completed Delivery Notice and the relevant Additional Tier 1 Conversion Notes. Any costs incurred by the Settlement Shares Depositary or any parent, subsidiary or affiliate of the Settlement Shares Depositary in connection with the holding by the Settlement Shares Depositary of any Conversion Shares and any amount received in respect thereof shall be deducted by the Settlement Shares Depositary from such amount prior to the delivery of such Conversion Shares and payment of any amount held for the account of the relevant Affected Holder to the relevant Noteholder. If no such amount is held, such costs shall be paid directly by the relevant Affected Noteholder to the Settlement Shares Depositary as a condition to the delivery to such Affected Noteholder of the relevant Conversion Shares.

o) ***Rights and Obligations of Noteholders in Certain Situations***

Should the Issuer resolve on (i) any issue of new shares, stock options and other special rights entitling to shares in the Issuer, (ii) payment of dividends to shareholders or distribution of assets from the fund for invested unrestricted equity, the share premium reserve or legal reserve or reduction of share capital to the shareholders in the form of cash, securities or other property or (iii) the repurchase or redemption of any ordinary shares of the Issuer under the Finnish Companies Act, the Noteholders shall only be entitled to an appropriate adjustment of the Conversion Price and/or the number of securities into which the Additional Tier 1 Conversion Notes are convertible if, and to the extent, so provided by this Condition 7 and save for redemption upon liquidation, and shall not otherwise have any right of conversion or compensation and no measures will need to be taken in relation to the Additional Tier 1 Conversion Notes. If the Issuer acquires stock options or special rights to acquire shares, no measures will need to be taken in relation to the Additional Tier 1 Conversion Notes.

Should the Issuer be placed into liquidation or resolve on any merger or demerger the Noteholders shall have no right of conversion or compensation (save as provided in this Condition 7 and save for redemption upon liquidation) and no measures will need to be taken in relation to the Additional Tier 1 Conversion Notes. In any merger or demerger where the Issuer is dissolved, any acquiring company shall, however, maintain the Automatic Conversion mechanism contained in this Condition 7 by means of corresponding rights to conversion as specified in the relevant merger or demerger plan.

Notwithstanding Chapter 16, Section 13 of the Finnish Companies Act with respect to a merger and Chapter 17, Section 13 of the Finnish Companies Act with respect to a demerger, the Noteholders shall not be entitled to demand the redemption of the Additional Tier 1 Conversion Notes in relation to a merger or a demerger.

Should a shareholder under the Finnish Companies Act have the right to acquire the shares from the other shareholders of the Issuer by means of Compulsory Acquisition Proceedings, the Noteholders shall upon request by such shareholder have a corresponding obligation to transfer all of their Notes to such shareholder. If an agreement on the purchase price cannot be reached between the parties, the purchase price shall be determined through arbitration in accordance with the procedure contained in Chapter 18 of the Finnish Companies Act.

## 8. Enforcement Events

- a) If:
- i) the Issuer shall default for a period of 7 days in the payment of principal that has become due and payable in accordance with any redemption of the Additional Tier 1 Conversion Notes; or
  - ii) an order is made or an effective resolution is passed for the winding up or liquidation of the Issuer except for the purpose of a merger, reconstruction or amalgamation under which the continuing entity effectively assumes the entire obligations of the Issuer under the Additional Tier 1 Conversion Notes) or the Issuer is otherwise declared bankrupt or put into liquidation, in each case, by a court or agency or supervisory authority in the Relevant Jurisdiction or elsewhere having jurisdiction in respect of the same, the Holder of any Additional Tier 1 Conversion Note may:
    - x) (in the case of i) above) institute proceedings for the Issuer to be declared bankrupt or its winding-up or liquidation, in each case, in the Relevant Jurisdiction and not elsewhere, and prove or claim in the bankruptcy or liquidation of the Issuer; and/or
    - y) (in the case of ii) above) prove or claim in the winding up or liquidation or as the case may be, bankruptcy or liquidation of the Issuer, whether in the Relevant Jurisdiction or elsewhere and instituted by the Issuer itself or by a third party,but in either case) the Holder of such Additional Tier 1 Conversion Note may claim payment in respect of the Additional Tier 1 Conversion Note only in the winding up or liquidation or as the case may be, bankruptcy or liquidation of the Issuer.
- b) In any of the events or circumstances described in Condition 8(a) ii) above, the Holder of any Additional Tier 1 Conversion Note may, by notice to the Issuer, declare such Additional Tier 1 Conversion Note to be due and payable, and such Additional Tier 1 Conversion Note shall accordingly become due and payable at its principal amount together with accrued (and uncanceled) interest to the date of payment, but subject to such Holder only being able to claim payment in respect of the Additional Tier 1 Conversion Note in the winding up or liquidation or as the case may be, bankruptcy or liquidation of the Issuer and provided that any such event occurs before the date on which a Trigger Event occurs.
- c) The Holder of any Additional Tier 1 Conversion Note may at its discretion institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Additional Tier 1 Conversion Notes (other than, without prejudice to Condition 8(a)(i) above, any obligation for the payment of any principal or interest in respect of the Additional Tier 1 Conversion Notes) provided that the Issuer shall not by virtue of the institution of any such proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it, except with the prior approval of the Competent Authority (if such approval is then required under the Applicable Banking Regulations).
- d) No remedy against the Issuer, other than as provided in Conditions 8 a), 8(b) and 8(c) above shall be available to the Holders of Additional Tier 1 Conversion Notes, whether for the recovery of amounts owing in respect of the Additional Tier 1 Conversion Notes or in respect of any breach by the Issuer of any of its obligations or undertakings with respect to the Additional Tier 1 Conversion Notes.

*For the avoidance of doubt any exercise of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority will not constitute an event of default or a breach of the Issuer's obligations or duties in respect of the Additional Tier 1 Conversion Notes, or a failure to perform any of the Issuer's obligations or duties in respect of such Notes in any manner whatsoever, and shall not, of itself, entitle Holders to petition for the winding up or liquidation of the Issuer.*

## 9. Taxation

- a) All amounts payable in cash or in kind (in respect of interest) in respect of the Additional Tier 1 Conversion Notes will be made free and clear of and without withholding or deduction for, or on account of, any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Taxing Jurisdiction, unless the withholding or deduction of such taxes or duties is required by law. In the event that a payment of interest is subject to withholding or deduction of such taxes or duties is required by law, the Issuer will pay such additional amounts as may be necessary in order that the net amounts receivable by the Holders after such withholding or deduction shall equal the respective amounts which would have been receivable in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to payment in respect of any Additional Tier 1 Conversion Note presented for payment (where presentation is required):
- i) in the Taxing Jurisdiction;
- ii) more than 30 days after the Relevant Date, except to the extent that the relevant Holder would have been entitled to such additional amounts on presenting the same for payment on the expiry of such period of 30 days; or
- (iii) by or on behalf of, a Holder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority,

and except that no such additional amounts shall be payable in respect of payment in respect of any Additional Tier 1 Conversion Note the Holder or a beneficial owner of which is liable to such taxes or duties by reason of his having some connection with the Taxing Jurisdiction, as the case may be, other than the mere holding of such Additional Tier 1 Conversion Note.

Nor will additional amounts be paid with respect to any payment of principal or interest on an Additional Tier 1 Conversion Note to any Holder that is a fiduciary or partnership or other than the sole beneficial owner of any such payment to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the Holder of such Additional Tier 1 Conversion Note. The obligation to pay taxes, duties, assessments and governmental charges shall not apply to a) any estate, inheritance, gift, sales, transfer, personal property or any similar tax, assessment or other governmental charge or (b) any tax, assessment or other governmental charge which is payable otherwise than by deduction or withholding from payments in cash or in kind of principal, redemption amount, interest, reconversion or otherwise.

- b) For the purposes of these Conditions, the “**Relevant Date**” means the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Fiscal Agent on or prior to such due date, it means the first date on which the full amount of such moneys has been so received and notice to that effect shall have been duly given to the Holders of the Additional Tier 1 Conversion Notes of the relevant Series in accordance with Condition 15 (*Notices*).
- c) Any reference in these Conditions to interest in respect of the Additional Tier 1 Conversion Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 9 or any undertaking given in addition thereto or in substitution therefor. For the avoidance of doubt, no additional amounts shall be payable by the Issuer in respect of payments of principal under the Additional Tier 1 Conversion Notes. The mandatory restrictions on interest payments on Additional Tier 1 Conversion Notes under Condition 5(7)(b) shall apply to any additional amounts on Additional Tier 1 Conversion Notes *mutatis mutandis*.
- d) Notwithstanding anything in this Condition 9 or Condition 10 (*Payments*) to the contrary, none of the Issuer, any paying agent or any other person shall be required to pay any additional amounts with respect to any withholding or deduction imposed on or in respect of any Additional Tier 1 Conversion Note pursuant to Sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986, as amended (“**FATCA**”), any treaty, law, regulation, intergovernmental agreement implementing legislation or other official guidance enacted by the Taxing Jurisdiction implementing FATCA, or any agreement between the Issuer or any other person making payments on behalf of the Issuer and the United States or any authority thereof implementing FATCA.



## 10. Payments

### 1) *Payments—Bearer Notes*

- a This Condition 10(1) is applicable in relation to Bearer Notes.
- (b) Payment of amounts (including accrued interest) due on the redemption of Bearer Notes will be made against presentation and surrender of the relevant Bearer Notes to or to the order of any of the Paying Agents.
- c Payment of amounts due in respect of interest on Bearer Notes will be made:
  - i) in the case of a Temporary Global Note or Permanent Global Note, against presentation of the relevant Temporary Global Note or Permanent Global Note at the specified office of any of the Paying Agents outside the United States and, in the case of a Temporary Global Note, upon due certification as required therein;
  - ii) in the case of Definitive Bearer Notes without Coupons attached thereto at the time of their initial delivery, against presentation of the relevant Definitive Notes at the specified office of any of the Paying Agents outside the United States; and
  - (iii) in the case of Definitive Bearer Notes delivered with Coupons attached thereto at the time of the initial delivery, against surrender of the relevant Coupons at the specified office of any of the Paying Agents outside the United States.
- (d) If the due date for payment of any amount due whether in respect of principal, interest or otherwise) in respect of any Bearer Notes is not a Business Day, then the Holder thereof will not be entitled to payment thereof until the next following such Business Day and no further payment shall be due in respect of such delay save in the event that there is a subsequent failure to pay in accordance with these Conditions.
- e Each Definitive Bearer Note initially delivered with Coupons attached thereto should be surrendered for final redemption together with all unmatured Coupons appertaining thereto, failing which:
  - i in the case of Definitive Bearer Notes which bear interest at a fixed rate or rates, the amount of any missing unmatured Coupons will be deducted from the amount otherwise payable on such final redemption, the amount so deducted being payable against surrender of the relevant Coupon at the specified office of any of the Paying Agents at any time prior to the tenth anniversary of the due date of such final redemption or, if later, the fifth anniversary of the date of maturity of such Coupon; and
  - ii) in the case of Definitive Bearer Notes which bear interest at, or at a margin above or below, a floating rate, all unmatured Coupon relating to such Definitive Bearer Notes (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them.

### 2) *Payments—Registered Notes*

- a This Condition 10(2) is applicable in relation to Registered Notes.
- b Payments of amounts including accrued interest due on the final redemption of Registered Notes will be made against presentation and surrender of the relevant Registered Notes at the specified corporate trust office of the Fiscal Agent. If the due date for payment of the final redemption amount of Additional Tier 1 Conversion Notes is not a Business Day, the Holder thereof will not be entitled to payment thereof until the next following such Business Day and no further payment shall be due in respect of such delay save in the event that there is a subsequent failure to pay in accordance with these Conditions.
- c Payment of amounts (whether principal, interest or otherwise) due (other than in respect of the final redemption of Additional Tier 1 Conversion Notes) in respect of the Additional Tier 1 Conversion Notes will be paid to the Holders thereof (or, in the case of joint Holders, the first-named) as appearing in the Note Register as of opening of business (New York time) on the fifteenth New York Banking Day before the due date for such payment (the “**Record Date**”).

- (d) Notwithstanding the provisions of Condition 10 3 b) *Payments—General Provisions*), payments of interest due other than in respect of the final redemption of Additional Tier 1 Conversion Notes) in respect of Registered Notes will be made by a check drawn on a bank in the Relevant Financial Centre and posted to the address (as recorded in the Note Register) of the Holder thereof, or, in the case of joint Holders, the first-named) on the Business Day immediately preceding the relevant date for payment unless prior to the relevant Record Date the Holder thereof or, in the case of joint Holders, the first named) has applied to the Fiscal Agent and the Fiscal Agent has acknowledged such applications for payment to be made to a designated account (in the case aforesaid, a non-resident account with an authorised foreign exchange bank).

3) ***Payments—General Provisions***

- a) Save as otherwise specified herein, this Condition 10 is applicable in relation to Additional Tier 1 Conversion Notes whether in bearer or in registered form.
- (b) Payments of amounts due (whether in respect of principal, interest or otherwise) in respect of Additional Tier 1 Conversion Notes denominated in a currency other than euro will be made by check drawn on, or by transfer to, an account maintained by the payee with a bank in the Relevant Financial Centre and in respect of an Additional Tier 1 Conversion Note denominated in euro by check drawn on, or by transfer to, an euro account or any other account to which euro may be credited or transferred) maintained by the payee with a bank in the principal financial centre of any member state of the European Union.

**11. Prescription**

- a) Bearer Notes and the related Coupons will become void unless presented for payment within ten years (or, in the case of Coupons and save as provided in Condition 10(1) e) *Payments—Bearer Notes*), five years) after the due date for payment.
- b) Claims against the Issuer in respect of Registered Notes will be prescribed unless made within 10 years (or, in the case of claims in respect of interest, five years) after the due date for payment.

**12. The Paying Agents**

The initial Paying Agents are listed in the Agency Agreement. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent (including the Fiscal Agent) and to appoint additional or other Paying Agents; provided that it will at all times maintain i) a Fiscal Agent, ii) a Note Register, (iii) a Paying Agent with an office in the City of New York and (iv) a Paying Agent with an office in London. If any such agent (acting through its relevant office) is unable or unwilling to continue to act as Fiscal Agent or Paying Agent, as the case may be, or if the Fiscal Agent or Paying Agent, as the case may be, fails, with respect to the issuance of any Series of Additional Tier 1 Conversion Notes, duly to establish the Rate of Interest for any applicable Interest Period or to calculate the Interest Amount, the Issuer shall appoint another leading bank engaged in the New York or London interbank market, as may be applicable acting through its principal New York or London Office, as the case may be to act as such in the Fiscal Agent's or Paying Agent's, as the case may be, place.

**13. Replacement of the Additional Tier 1 Conversion Notes**

If any Additional Tier 1 Conversion Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent, subject to all applicable laws and the requirements of any stock exchange and/or listing authority on which the relevant Additional Tier 1 Conversion Notes are listed, upon payment by the claimant of all expenses incurred in such replacement and upon such terms as to evidence, security, indemnity and otherwise as the Issuer and the Fiscal Agent may require. Mutilated or defaced Additional Tier 1 Conversion Notes must be surrendered before replacements will be delivered.

**14. Meetings of Holders**

The Agency Agreement contains provisions, which are binding on the Issuer and the Holders of Additional Tier 1 Conversion Notes, for convening meetings of the Holders of Additional Tier 1 Conversion Notes of any Series to consider matters affecting their interests, including the modification or waiver of the Conditions applicable to any Series of Additional Tier 1 Conversion Notes. Any modification or waiver of the Conditions which affects Additional Tier 1 Conversion Notes will be effected in accordance with Applicable Banking Regulations.

The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present (other than the Issuer or its affiliates) holding or representing a clear majority in principal amount of the Series of Additional Tier 1 Conversion Notes then outstanding or, at any adjourned meeting, one or more persons (other

than the Issuer or its affiliates) present whatever the principal amount of the Series of Additional Tier 1 Conversion Notes held or represented by him or them, provided that at any meeting, the business of which includes the modification of certain of the Conditions of the Series of Additional Tier 1 Conversion Notes as set out in i to (viii) of the paragraph below), the necessary quorum for passing an Extraordinary Resolution will be one or more persons (other than the Issuer or its affiliates) present holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, in principal amount of the Series of Additional Tier 1 Conversion Notes then outstanding. In addition, modifications or waivers may be approved without a meeting in accordance with the procedures set out in the Agency Agreement.

Modifications of and amendments to the Conditions of a Series of Additional Tier 1 Conversion Notes, the Agency Agreement or the Deed of Covenant may be effected by the Issuer and the Fiscal Agent, and future compliance with any Additional Tier 1 Conversion Notes or the Agency Agreement, or any past default with respect to any Additional Tier 1 Conversion Notes or the Agency Agreement, by the Issuer may be waived, a) in the case of such modification, amendment or waiver to be considered at a quorate meeting, by way of Extraordinary Resolution or (b) in the case of a consent without a meeting, with the consent of persons holding or representing not less than two-thirds in principal amount of the Series of Additional Tier 1 Conversion Notes excluding any Additional Tier 1 Conversion Notes of the Series held by the Issuer or its affiliates) then outstanding, each in accordance with the procedures set forth in the Agency Agreement, provided that no such modification, amendment or waiver may, without (y) in the case of such modification, amendment or waiver to be considered at a quorate meeting, an Extraordinary Resolution or (z) in the case of a consent without a meeting, the consent of persons holding or representing not less than three-quarters in principal amount of the Series of Additional Tier 1 Conversion Notes excluding any Additional Tier 1 Conversion Notes of the Series held by the Issuer or its affiliates) then outstanding, each in accordance with the procedures set forth in the Agency Agreement, (i) change in the stated maturity of any Additional Tier 1 Conversion Note (if any), or the date for any payment on any Additional Tier 1 Conversion Note, (ii) reduce the principal amount of any Additional Tier 1 Conversion Note or reduce the interest payable thereon, (iii) change any obligations of the Issuer to pay additional amounts, (iv) change the place for or currency in which any Additional Tier 1 Conversion Note or interest thereon is payable, (v) impair the right to institute suit for the enforcement of the holder of any Additional Tier 1 Conversion Note of any payment thereunder, (vi) reduce the percentage in principal amount of Series of Additional Tier 1 Conversion Notes outstanding required for modification or amendment of the Agency Agreement or for waiver of compliance with certain provisions of the Agency Agreement, (vii) reduce the requirements contained in the Agency Agreement for quorum or voting or (viii) modify or affect in any manner adverse to the interests of the holders of any Additional Tier 1 Conversion Notes the terms and conditions of the obligations of the Issuer regarding the due and punctual payment of the principal amount and interest with respect to such Additional Tier 1 Conversion Notes.

The Fiscal Agent may agree, without the consent of the Noteholders, to any modification of any of the terms of a Series of Additional Tier 1 Conversion Notes or of any of the provisions of the Agency Agreement which does not, in the sole opinion of the Issuer, materially adversely affect the interests of the Noteholders or to any modification which is of a formal, minor or technical nature or to correct a manifest error.

Any modification shall be binding on the Noteholders and, unless the Fiscal Agent agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with the Agency Agreement.

For the purposes of this Condition 14, “**Extraordinary Resolution**” means a resolution passed at a meeting duly convened and held in accordance with these Conditions and the Agency Agreement by a majority of not less than two-thirds of the votes cast.

## 15. Notices

### a) *To Holders of Bearer Notes*

Notices to Holders of Bearer Notes will, save where another means of effective communication has been specified in the relevant Pricing Supplement, be deemed to be validly given if published in a leading daily newspaper having general circulation in the United Kingdom (which is expected to be the Financial Times) or, in the case of a Temporary Global Note or Permanent Global Note if delivered to Euroclear and Clearstream, Luxembourg for communication by them to the persons shown in their respective records as having interests therein provided that, in the case of Additional Tier 1 Conversion Notes admitted to listing and/or trading on any stock exchange, the requirements of such stock exchange or listing authority have been complied with. Any notice so given will be deemed to have been validly given on the date of such publication or, if published more than once, on the date of first such publication or, as the case may be, on the fourth Business Day after the date of such delivery.

b) ***To Holders of Registered Notes***

Notices to Holders of Registered Notes will be deemed to be validly given if sent by first class mail to them or, in the case of joint Holders, to the first-named in the Note Register) at their respective addresses as recorded in the Note Register, and will be deemed to have been validly given on the fourth Business Day after the date of such mailing.

Notwithstanding the foregoing, so long as any Registered Notes are evidenced by i) a Global Registered Note which is held by or on behalf of DTC for the benefit of participants in DTC, all notices with respect to such Additional Tier 1 Conversion Notes shall be sent only to DTC which will communicate such notices to its participants in accordance with its standard and customary procedures in effect at that time, or ii) a Global Registered Note which is held by or on behalf of Euroclear and/or Clearstream, Luxembourg, all notices with respect to such Registered Notes shall be delivered to Euroclear and Clearstream, Luxembourg for communication by them to the persons shown in their respective records as having interests therein, provided that, if the Additional Tier 1 Conversion Notes of a Series are listed on a stock exchange then all notices shall also be made in accordance with the standard and customary procedures then in effect at such stock exchange. Any such notice shall be deemed to have been given to the holders of the relevant Additional Tier 1 Conversion Notes on the seventh day after the day on which the said notice was given to DTC, Euroclear or Clearstream, Luxembourg (as the case may be) or as otherwise provided by the applicable rules of a stock exchange.

c) ***To the Issuer***

Notices to the Issuer will be deemed to be validly given if delivered to the Issuer's Swedish branch at Smålandsgatan 17, SE-105 71, Stockholm, Sweden and clearly marked on their exterior "Urgent—Attention: Group Treasury" (or at such other address and for such other attention as may have been notified to the Holders of the Additional Tier 1 Conversion Notes in accordance with this Condition 15 and will be deemed to have been validly given at the opening of business on the next day on which the Issuer's principal office is open for business.

**16. Provision of Information**

For so long as any Registered Notes of a Series remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer shall, during any period in which it is neither subject to Section 13 or 15(d) under the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2 b) under the Exchange Act, furnish to any Noteholder of, or beneficial owner of an interest in, such Registered Notes in connection with any resale thereof and to any prospective purchaser designated by such Noteholder or beneficial owner in each case upon request, such information as is required to be provided pursuant to Rule 144A d)(4) under the Securities Act in order to permit compliance with Rule 144A in connection with the resale of such restricted securities.

**17. Further Issues**

The Issuer may from time to time without the consent of the Holders of any Additional Tier 1 Conversion Notes of any Series create and issue further Additional Tier 1 Conversion Notes and other debt securities having terms and conditions the same as those of the Additional Tier 1 Conversion Notes of such Series or the same except for the amount of the first payment of interest (if any), which may be consolidated and form a single Series with the outstanding Additional Tier 1 Conversion Notes of such Series.

**18. Substitution and Variation**

If this Condition 18 is specified as applicable in the relevant Pricing Supplement, at any time following the occurrence of a Withholding Tax Event, a Tax Event or a Capital Event, or to ensure the effectiveness or enforceability of Condition 20 (*Acknowledgement of Bail-in and Loss Absorption Powers*), then the Issuer may, subject to the Applicable Banking Regulations (including the permission of the Competent Authority to the extent then required) but without any requirement for the consent or approval of the Holders of the Additional Tier 1 Conversion Notes and having given not less than 30 nor more than 60 days' notice to the Fiscal Agent (in accordance with the Agency Agreement) and the Holders of the Additional Tier 1 Conversion Notes (which notice shall be irrevocable), at any time either a) substitute all (but not some only) of such Additional Tier 1 Conversion Notes for new Additional Tier 1 Conversion Notes, which are Qualifying Securities, or b) vary the terms of such Additional Tier 1 Conversion Notes so that they remain or, as appropriate, become, Qualifying Securities provided that, in each case, i) such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted securities and ii) such variation or substitution would not itself directly lead to a downgrade in any of the credit ratings of the Additional Tier 1 Conversion Notes as assigned by any Rating Agency immediately prior to such variation or substitution (unless any such downgrade is solely attributable to the

effectiveness and enforceability of Condition 20 *Acknowledgement of Bail-in and Loss Absorption Powers*)) and (iii) such variation or substitution is not materially less favourable to holders unless any such prejudice is solely attributable to the effectiveness and enforceability of Condition 5(7) *Interest Cancellation in respect of Additional Tier 1 Conversion Notes* or Condition 20 *Acknowledgement of Bail-in and Loss Absorption Powers*)). For the avoidance of doubt, any such substitution or variation shall not be deemed to be a modification or amendment for the purposes of Condition 14 (*Meetings of Holders*).

For the purpose of this Condition 18, a variation or substitution shall be “**materially less favourable to holders**” if such varied or substituted securities do not:

- a) include a ranking at least equal to that of the Additional Tier 1 Conversion Notes;
- b) have the same interest rate and the same Interest Payment Dates as those from time to time applying to the Additional Tier 1 Conversion Notes;
- c) have equivalent redemption rights as the Additional Tier 1 Conversion Notes;
- d) have the same currency of payment, maturity, denomination and original aggregate outstanding nominal amount as the Additional Tier 1 Conversion Notes (as applicable) prior to such variation or substitution;
- d) preserve any existing rights under the Additional Tier 1 Conversion Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation; or
- e) have a listing on a recognised stock exchange if the Additional Tier 1 Conversion Notes (as applicable) were listed immediately prior to such variation or substitution.

“**Qualifying Securities**” means securities issued directly or indirectly by the Issuer that contain terms which at such time result in such securities being eligible to qualify towards the Issuer’s and/or the Nordea Group’s Tier 1 Capital for the purposes of, and in accordance with, the relevant Applicable Banking Regulations, (in the case of a variation or substitution due to a Withholding Tax Event, Tax Event or Capital Event) to at least the same extent as the Additional Tier 1 Conversion Notes prior to the relevant Withholding Tax Event, Tax Event or Capital Event.

## 19. Law and Jurisdiction

- a) The Additional Tier 1 Conversion Notes, the Deed of Covenant and the Agency Agreement and all non-contractual obligations arising out of or in connection with any of them are governed by English law, except that the provisions of Condition 4 *Status*, Condition 7(o) *Rights and Obligations of Noteholders in Certain Situations*, the conversion (if any) of the Additional Tier 1 Conversion Notes into Conversion Shares, any Compulsory Acquisition Proceedings and all non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, the laws of the Relevant Jurisdiction.
- b) The Issuer irrevocably agrees for the benefit of the Holders of the Additional Tier 1 Conversion Notes that the Courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Additional Tier 1 Conversion Notes (including a dispute relating to any non-contractual obligation arising out of or in connection with the Additional Tier 1 Conversion Notes), except for any Compulsory Acquisition Proceedings which shall be determined in accordance with Chapter 18 of the Finnish Companies Act, (respectively, “**Proceedings**” and “**Disputes**” and, for such purposes, irrevocably submits to the jurisdiction of such courts. The Issuer irrevocably waives any objection which it might now or hereafter have to the Courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes and agrees not to claim that any such court is not a convenient or appropriate forum. The submission to the jurisdiction of the Courts of England shall not and shall not be construed so as to) limit the right of the Holders of the Additional Tier 1 Conversion Notes or of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not) if and to the extent permitted by applicable law.
- c) The Issuer agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to the Issuer at its registered address in London from time to time, being presently at Nordea Bank Abp, London Branch, 6th Floor, 5 Aldermanbury Square, London EC2V 7AZ, United Kingdom or, if different, its registered office for the time being or at any address of the Issuer in Great Britain at which process may be served on it in accordance with the Companies Act 2006. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer



shall forthwith appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Holder shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the Fiscal Agent. Nothing contained herein shall affect the right to serve process in any other manner permitted by law.

## 20. Acknowledgement of Bail-in and Loss Absorption Powers

Notwithstanding and to the exclusion of any other term of the Additional Tier 1 Conversion Notes or any other agreements, arrangements or understanding between the Issuer and any Holder which, for the purposes of this Condition 20, includes each holder of a beneficial interest in the Additional Tier 1 Conversion Notes), by its acquisition of the Additional Tier 1 Conversion Notes, each Noteholder acknowledges and accepts that any liability arising under the Additional Tier 1 Conversion Notes may be subject to the exercise of Bail-in and Loss Absorption Powers by the Relevant Resolution Authority and acknowledges, accepts, consents to and agrees to be bound by:

- a) the effect of the exercise of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority, which exercise without limitation) may include and result in any of the following, or a combination thereof:
  - (i) the reduction of all, or a portion, of the Relevant Amounts in respect of the Additional Tier 1 Conversion Notes on a permanent basis;
  - ii) the conversion of all, or a portion, of the Relevant Amounts in respect of the Additional Tier 1 Conversion Notes into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the Noteholder of such shares, securities or obligations, including by means of an amendment, modification or variation of the terms of the Additional Tier 1 Conversion Notes;
  - (iii) the cancellation of the Additional Tier 1 Conversion Notes or the Relevant Amounts in respect of the Additional Tier 1 Conversion Notes; and
  - iv) the amendment or alteration of the perpetual nature of the Additional Tier 1 Conversion Notes or amendment of the amount of interest payable on the Additional Tier 1 Conversion Notes, or the date on which interest becomes payable, including by suspending payment for a temporary period; and
- b) the variation of the terms of the Additional Tier 1 Conversion Notes, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority.

“**Bail-in and Loss Absorption Powers**” means any loss absorption, write-down, conversion, transfer, modification, suspension or similar or resolution related power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the Relevant Jurisdiction, relating to (i) the transposition of the BRRD as amended or replaced from time to time) or the application of the SRM Regulation as amended or replaced from time to time) and ii) the instruments, rules and standards created under the BRRD, including but not limited to Article 48 BRRD, or the SRM Regulation, pursuant to which any obligation of the Issuer or any affiliate of the Issuer) can be reduced, cancelled, modified, or converted into shares, other securities or other obligations of the Issuer or any other person (or suspended for a temporary period).

“**Relevant Amounts**” means the outstanding principal amount of the Additional Tier 1 Conversion Notes, together with any accrued but unpaid interest and additional amounts due on the Additional Tier 1 Conversion Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority.

“**Relevant Resolution Authority**” means the resolution authority with the ability to exercise any Bail-in and Loss Absorption Powers in relation to the Issuer and/or the Nordea Group.

*For the avoidance of doubt any exercise of any Bail-in and Loss Absorption Powers by the Relevant Resolution Authority will not constitute an event of default or a breach of the Issuer’s obligations or duties in respect of the Additional Tier 1 Conversion Notes, or a failure to perform any of the Issuer’s obligations or duties in respect of the Additional Tier 1 Conversion Notes by the Issuer in any manner whatsoever, and shall not, of itself, entitle Holders to petition for the winding up or liquidation of the Issuer.*