

SUPPLEMENT DATED 2nd February, 2021



Skandinaviska Enskilda Banken

(Incorporated in the Kingdom of Sweden with limited liability)

Global Programme for the Continuous Issuance of Medium Term Notes and Covered Bonds

This Supplement (the **Supplement**) to the Information Memorandum dated 26th June, 2020, as supplemented on 16th July, 2020 and 23rd October, 2020, in relation to the Global Programme for the Continuous Issuance of Medium Term Notes and Covered Bonds (as so supplemented, the **Information Memorandum**), which comprises a Base Prospectus for the purposes of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) constitutes a supplement to the prospectus for the purposes of Article 23 of the Prospectus Regulation and is prepared in connection with the Global Programme for the Continuous Issuance of Medium Term Notes and Covered Bonds (the **Programme**) which was established by Skandinaviska Enskilda Banken AB (publ) (**SEB**).

Terms defined in the Information Memorandum have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Information Memorandum and any other supplements to the Information Memorandum issued by SEB.

SEB accepts responsibility for the information contained in this Supplement. To the best of the knowledge of SEB the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been approved by the Central Bank of Ireland (the **Central Bank**) as competent authority under the Prospectus Regulation. The Central Bank only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the Central Bank should not be considered as an endorsement of SEB or the quality of the Notes. Investors should make their own assessment as to the suitability of the Notes.

On 27th January, 2021, SEB published its interim report entitled "Quarterly Report – Fourth quarter 2020, Full year 2020" (the **Quarterly Report**) containing its unaudited consolidated and non-consolidated interim financial statements (including the auditor's limited review report thereon) in respect of the twelve month period ended 31st December, 2020 (the **2020 Financial Statements**), together with the publication entitled "Fact Book – Fourth quarter 2020, Full year 2020" relating thereto (the **2020 Fact Book**).

The purpose of this Supplement is to (i) incorporate by reference certain sections of the Interim Report and the 2020 Fact Book as specified below; (ii) confirm there has been no significant change in the financial performance or position of the Bank or the SEB Group since 31st December, 2020; (iii) update the paragraph entitled "*Key Figures*" contained in the Information Memorandum, together with the immediately following paragraph; (iv) update certain information in the Information Memorandum to reflect the end of the Brexit transition period on 31 December 2020 at 11.00 pm and (v) update the Information Memorandum with certain updates to the Terms and Conditions of the Notes.

By virtue of this Supplement, the following documents shall be incorporated by reference in, and form part of, the Information Memorandum:

1. the 2020 Financial Statements set out on pages 15 – 18 (inclusive), on pages 20 – 48 (inclusive) and the section entitled “*Auditor’s review report*” on page 48 of the Quarterly Report; and
2. the section entitled “Market Risk” set out on page 29 of the 2020 Fact Book.

Since 31st December, 2020, the last day of the financial period in respect of which the most recent unaudited interim financial statements of the Bank have been published, there has been no significant change in the financial performance or position of the Bank or the SEB Group.

If documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the Prospectus Regulation except where such information or other documents are specifically incorporated by reference.

The non-incorporated parts of the Quarterly Report and the 2020 Fact Book are either not relevant for the investor or covered elsewhere in the Information Memorandum.

A copy of the Quarterly Report can be viewed on the website of SEB and is available at https://sebgroupp.com/siteassets/investor_relations1/interim_reports/2020_q4_interim.pdf. A copy of the 2020 Fact Book can be viewed on the website of SEB and is available at https://sebgroupp.com/siteassets/investor_relations1/factbook/2020_q4_factbook.pdf.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Information Memorandum by this Supplement and (b) any other statement in or incorporated by reference into the Information Memorandum, the statements in (a) above will prevail.

Save as disclosed in this Supplement and any supplement to the Information Memorandum previously issued, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Information Memorandum since the publication of the Information Memorandum.

Amendments or Additions to the Information Memorandum

1. *Key Figures*

Further to the incorporation by reference of the above sections of the Quarterly Report and the 2020 Fact Book into the Information Memorandum, the paragraph entitled “*Key Figures*” on starting page 119 of the Information Memorandum, together with the immediately following paragraph, shall be updated and replaced with the following paragraphs:

“KEY FIGURES

The table below shows certain key figures for SEB on a consolidated basis.

	As at/year ended 31st December		
	2020	2019	2018
(Unaudited)			
Return on equity ¹⁾ %.....	9.7	13.7	16.3

	As at/year ended 31st December		
	2020	2019	2018
Return on equity, excluding items affecting comparability ²⁾ %.....	10.3	13.8	13.4
Return on tangible equity %	10.2	14.5	-
Return on tangible equity, excluding items affecting comparability ²⁾ %.....	10.8	14.6	-
Return on risk exposure amounts ³⁾	2.1	2.7	3.7
Basic earnings per share ⁴⁾ (SEK)	7.28	9.33	10.69
Cost/income ratio ⁵⁾	0.46	0.46	0.48
Net ECL level ⁶⁾ %.....	0.26	0.10	0.06
Stage 3 (credit-impaired) loans/total loans, gross %	0.87	0.67	0.50
Total capital ratio ^{7), 8)} % (at period end)	25.1	23.3	22.2
CET1 capital ratio ⁹⁾ % (at period end).....	21.0	17.6	17.6
Tier 1 capital ratio ¹⁰⁾ % (at period end)	22.7	20.8	19.7
Weighted average number of shares outstanding (millions) ¹¹⁾	2,163	2,162	2,164
Liquidity Coverage Ratio ¹²⁾ % (at period end)....	163	218	147
Leverage ratio ¹³⁾ % (at period end).....	5.1	5.1	5.1

- 1) Net profit attributable to shareholders in relation to average shareholders' equity (calculated using month-end data).
- 2) Net profit attributable to shareholders, excluding items affecting comparability and their related tax effect, in relation to average shareholders' equity (calculated using month-end data). Items affecting comparability include (i) an administrative fine of SEK 1,000 million issued by the SFSA to SEB on the SFSA finalising its review of SEB's governance and control of measures against money laundering in SEB's Baltic banks, (ii) the completion of the sale of SEB Pension on 30th May 2018, which resulted in a capital gain that was to a large extent tax exempt of SEK 3,565 million, (iii) finalisation of the acquisition by Asiakastieto Group Plc (**Asiakastieto**) of UC AB on 29th June, 2018, which resulted in SEB receiving shares in Asiakastieto and SEK 300 million cash, as well as a tax-exempt capital gain of SEK 941 million and (iv) in relation to the core business in Germany being transferred from SEB AG to the German branch of SEB on 2nd January, 2018, a recognition of provisions related to redundancy and excess premises amounting to a total of SEK 521 million.
- 3) Net profit attributable to shareholders in relation to average risk exposure amounts (**REA**) (calculated using month-end data).
- 4) Net profit attributable to shareholders in relation to the weighted average number of shares outstanding (calculated on a daily basis) before dilution.
- 5) Total operating expenses in relation to total operating income.
- 6) Net credit impairments as a percentage of the opening balance of debt securities and loans to the public and credit institutions measured at amortised cost, financial guarantees and loan commitments, less the expected credit loss (**ECL**) allowances (the allowance for expected credit losses on financial assets, contract assets, loan commitments and financial guarantee contracts). The net ECL level is based on the IFRS 9 expected loss model.
- 7) The total capital of the financial group of undertakings, which includes both Group companies (other than insurance companies within the Group) and non-consolidated associated companies, adjusted according to the Basel III capital adequacy rules as a percentage of REA.
- 8) According to SEB's interpretation of the CRD IV/CRR regulatory requirements and as reported to the SFSA.
- 9) The common equity Tier 1 capital as a percentage of REA.

- 10) The Tier 1 capital as a percentage of REA.
- 11) The number of issued shares, less shares owned by the Group, weighted on a daily basis.
- 12) High-quality liquid assets in relation to the estimated net cash outflows over the next 30 days. Calculated according to SFSA regulations for the respective period. This is according to the definition under the relevant EU regulations.
- 13) Tier 1 capital as a percentage of total assets including off balance sheet items with conversion factors according to the standardised approach.

SEB's net expected credit losses were SEK 6,118 million, with a net expected credit loss level (**net ECL level**) of 0.26 per cent., for the twelve months ended 31st December, 2020 compared to SEK 2,294 million, with a net ECL level of 0.10 per cent., for the corresponding period in 2019."

2. *Updates to the Information Memorandum*

By virtue of this Supplement, the following amendments shall be made to the Information Memorandum:

- (a) the words "(which, for these purposes, includes the United Kingdom (the **UK**))" in the third paragraph and the sentence "For these purposes, references(s) to the EEA includes the UK" in the fifth paragraph, in each case on the cover page of the Information Memorandum, shall be deemed to be deleted;
- (b) the ninth and tenth paragraphs on the cover page of the Information Memorandum shall be deemed to be deleted and replaced with the following:

"The Bank has been rated A+ by S&P Global Ratings Europe Limited (**S&P**), Aa2 by Moody's Investors Service (Nordics) AB (**Moody's**) and AA- by Fitch Ratings Limited (**Fitch**). Each of S&P and Moody's is established in the European Union (the **EU**) and is registered under Regulation (EC) No.1060/2009 (as amended) (the **CRA Regulation**). Fitch is established in the United Kingdom (the **UK**) and is registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**) (the **UK CRA Regulation**). Ratings issued by Fitch have been endorsed by Fitch Ratings Ireland Limited (**Fitch Ireland**) in accordance with the CRA Regulation and have not been withdrawn. Fitch Ireland is established in the EU and registered under the CRA Regulation. As such, each of S&P, Moody's and Fitch Ireland is included in the list of credit rating agencies published by the European Securities and Markets Authority (ESMA) on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Ratings issued by S&P and Moody's have been endorsed by S&P Global Ratings UK Limited and Moody's Investors Service Ltd respectively, in accordance with the UK CRA Regulation and have not been withdrawn. Where a Tranche of Notes is rated, such rating will be disclosed in the Final Terms (as defined below) and will not necessarily be the same as the rating assigned to the Bank by the relevant rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Amounts payable on Floating Rate Notes and Fixed Reset Notes may be calculated by reference to one of LIBOR, EURIBOR, SONIA or STIBOR as specified in the relevant Final Terms. As at 2nd February, 2021 (i) the administrator of EURIBOR, the European Money Markets Institute, is included in ESMA's register of administrators (the **EU Benchmarks Register**) under Article 36 of Regulation (EU) No. 2016/1011 (as amended, the **EU Benchmarks Regulation**) but not the register (the **UK Benchmarks Register**) of administrators and benchmarks established and

maintained by the Financial Conduct Authority (the **FCA**) pursuant to Article 36 of the Regulation (EU) No 2016/1011 as it forms part of domestic law by virtue of the EUWA (the **UK Benchmarks Regulation**); (ii) the administrator of LIBOR, ICE Benchmark Administration Limited is included in the UK Benchmarks Register but not the EU Benchmarks Register; and (iii) the administrators of STIBOR and SONIA are not included in such registers. As far as the Issuer is aware, (i) the transitional provisions in Article 51 of the EU Benchmarks Regulation and UK Benchmarks Regulation apply, such that the administrator of STIBOR, the Swedish Financial Benchmark Facility, is not currently required to obtain authorisation or registration; and (ii) under Article 2 of the EU Benchmarks Regulation and UK Benchmarks Regulation, the administrator of SONIA, the Bank of England, is not required to obtain authorisation or registration.”;

- (c) the eight paragraph on page 3 under the heading “IMPORTANT – EEA AND UK RETAIL INVESTORS” shall be deemed to be deleted and replaced with the following:

“ **IMPORTANT – EEA RETAIL INVESTORS**

If the Final Terms in respect of any Notes includes a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIPs Regulation**) for offering or selling such Notes or otherwise making them available to any retail investors in the EEA has been prepared and therefore offering or selling such Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIPs Regulation.

IMPORTANT – UK RETAIL INVESTORS

If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the **FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIPs Regulation as it forms part of domestic law by virtue of the EUWA (the **UK PRIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIPs Regulation.”;

- (d) the following paragraph shall be deemed to be inserted immediately after the paragraph headed “MiFID II product governance / target market” starting on page 3 of the Information Memorandum:

“**UK MiFIR product governance / target market** – The Final Terms in respect of any Notes will include a legend entitled “UK MiFIR Product Governance” which will outline the target market assessment in respect of such Notes and which channels for distribution of such Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (**the UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

- (e) the words “(and for these purposes, references to the EEA include the UK)” in the third paragraph on page 4 of the Information Memorandum shall be deemed to be deleted;
- (f) the last bullet point in the second paragraph on page 6 of the Information Memorandum shall be deemed to be deleted;
- (g) the fourth and fifth paragraphs of the risk factor headed “*Future discontinuance of LIBOR may adversely affect the value of Floating Rate Notes or Fixed Reset Notes which reference LIBOR, and other regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks"*” on page 28 of the Information Memorandum shall be deemed to be deleted and replaced with the following:

“The EU Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities (such as the Bank) of "benchmarks" of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). The UK Benchmarks Regulation, among other things, applies to the provision of benchmarks and the use of a benchmark in the UK. Similarly, it prohibits the use in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the FCA or registered on the FCA register (or, if non-UK based, not deemed equivalent or recognised or endorsed).

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

- (h) the seventh paragraphs of the risk factor headed “*Future discontinuance of LIBOR may adversely affect the value of Floating Rate Notes or Fixed Reset Notes which reference LIBOR, and other regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks"*” starting on page 28 of the Information Memorandum shall be deemed to be deleted and replaced with the following:

“Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation and/or the UK Benchmarks Regulation reforms, as applicable, in making any investment decision with respect to any Notes linked to or referencing a "benchmark"”;

- (i) the second paragraphs of the risk factor headed “*Credit ratings assigned to the Bank or any Notes may not reflect all the risks associated with an investment in those Notes*” on page 46 of the Information Memorandum shall be deemed to be deleted and replaced with the following:

“In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances. Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK-registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK, of existing pre- 2021 ratings, provided the relevant conditions are satisfied.

If the status of the rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment. This may result in relevant regulated investors selling the Notes which may impact the value of the Notes and any secondary market.”

- (j) the last paragraph headed “Selling Restrictions” on page 51 of the Information Memorandum shall be deemed to be deleted and replaced with the following:

“**Selling Restrictions:** For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the EEA, the UK and Japan, see “Subscription and Sale”.

- (k) the first paragraph in the pro-forma Final Terms on page 98 of the Information Memorandum shall be deemed to be deleted and replaced with the following:

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

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

- (l) the following paragraph shall be deemed to be inserted in the pro-forma Final Terms on page 98 of the Information Memorandum immediately following the paragraph headed “**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET:**

“**UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – Solely for

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

- (m) the following paragraph shall be deemed to be inserted in the pro-forma Final Terms on page 98 of the Information Memorandum immediately following the paragraph headed “**MIFID II PRODUCT GOVERNANCE / RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET**”:

“**UK MIFIR PRODUCT GOVERNANCE / RETAIL INVESTORS, PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is retail clients, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**), and eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (COBS), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (**UK MiFIR**); **EITHER** [and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] **OR** [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor’s suitability and appropriateness obligations under COBS, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the **UK MiFIR Product Governance Rules**) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels[, subject to the distributor’s suitability and appropriateness obligations under COBS, as applicable].”;

- (n) the words “(and, for these purposes, reference to the EEA includes the [United Kingdom (the **UK**)]**[UK]**)” in the paragraph above the heading “**PART A – CONTRACTUAL TERMS**” on page 99 of the pro-forma Final Terms shall be deemed to be deleted;

- (o) the second paragraph of the item headed “Ratings” in “Part B – Other Information” of the pro-forma Final Terms on page 111 of the Information Memorandum shall be deemed to be deleted and replaced with the following:

“[Each of [*defined terms*] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**).]”;

- (p) item 7(vi) in “Part B – Other Information” of the pro-forma Final Terms on page 114 of the Information Memorandum shall be deemed to be deleted and replaced with the following, and the remaining sub-paragraphs in item 7 renumbered accordingly:

“(vi) Prohibition of sales to EEA retail investors: [Applicable/Not Applicable]

(If the offer of Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared, “Not Applicable” should be specified. If the offer of Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified)

“(viii) Prohibition of sales to UK retail investors: [Applicable/Not Applicable]

(If the offer of Notes clearly do not constitute “packaged” products or the Notes do constitute “packaged” products and a key information document will be prepared, “Not Applicable” should be specified. If the offer of Notes may constitute “packaged” products and no key information document will be prepared, “Applicable” should be specified);

- (q) the selling restrictions under the headings “Prohibition of Sales to EEA and UK Retail Investors” and “United Kingdom” on pages 145 to 146 of the Information Memorandum shall be deemed to be deleted and replaced with the following:

“Prohibition of Sales to EEA Retail Investors

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

- (a) the expression **retail investor** means a person who is one (or more) of the following:
- (i) a retail client as defined in point (11) of Article 4(1) of MiFID II;
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

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

If the Final Terms in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, in relation to each Member State of the EEA, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Information Memorandum as completed by the final terms in relation thereto to the public in that Member State, except that it may make an offer of such Notes to the public in that Member State:

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

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

For the purposes of this provision:

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

United Kingdom

Prohibition of sales to UK Retail Investors

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

For the purposes of this provision:

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

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

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

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

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

For the purposes of this provision:

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

Other Regulatory Restrictions

In relation to each Tranche of Notes, each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, to the Bank and each other relevant Dealer (if any) that:

- (1) *Financial Promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or

inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended (the FSMA)) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if it was not an authorised institution, apply to the Bank; and

- (2) *General compliance:* it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.”

3. Updates to the Terms and Conditions of the Notes

- 3.1 On page 88 of the Information Memorandum, the second paragraph of Condition 7.01 in section entitled the ‘Terms and Conditions of the Notes’ shall be deleted in its entirety and replaced with the following:

“In that event, (A) in relation to any Series of Notes specified in the applicable Final Terms as being Covered Bonds, such withholding or deduction will be made by the Bank without payment of any additional amounts and, (B) in relation to all other Series of Notes, the Bank will, in respect of payments of interest only (in the case of any Series of Tier 2 Subordinated Notes, Senior Non-Preferred Notes or Senior Preferred MREL Eligible Notes) and principal, interest or otherwise (in the case of all such other Series of Notes other than any Series of Tier 2 Subordinated Notes, Senior Non-Preferred Notes or Senior Preferred MREL Eligible Notes), 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 in respect of any Note, Receipt or Coupon:

- (i) the Holder of which is liable to such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with the Kingdom of Sweden other than the mere holding of such Note, Receipt or Coupon; or
- (ii) presented for payment (where presentation is required) 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.”

- 3.2 On page 96 of the Information Memorandum, Condition 16.04 in section entitled the ‘Terms and Conditions of the Notes’ shall be deleted in its entirety and replaced with the following:

“**16.04** Upon the exercise of any bail-in and loss absorption power by the Resolution Authority with respect to the Notes, the Bank will provide a written notice to the Holders in accordance with Condition 13 as soon as practicable regarding such exercise of the bail-in and loss absorption power for the purpose of notifying Holders of such occurrence. The Bank will also deliver a copy of such notice to the Fiscal Agent, the Registrar and the Paying Agents for information purposes.

Any failure or delay by the Bank to give any such notice to or otherwise to so notify Holders will not in any way impact on the effectiveness of, or otherwise invalidate, any exercise of any bail-in and loss absorption power, or give Holders any rights as a result of such failure or delay.”

