

This prospectus was approved by the Swedish Financial Supervisory Authority on 16 December 2022. The validity of this prospectus will expire within twelve (12) months after the date of its approval. The obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when this prospectus is no longer valid.



FASTIGHETS AKTIEBOLAGET TRIANON (PUBL)

**PROSPECTUS REGARDING THE ADMISSION TO TRADING OF
SEK 500,000,000
SUBORDINATED PERPETUAL FLOATING RATE CALLABLE
SUSTAINABLE CAPITAL SECURITIES
ISIN: SE001919456**

16 December 2022

IMPORTANT INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by Fastighets Aktiebolaget Trianon (publ), reg. no. 556183-0281, (“**Trianon**”, the “**Company**” or the “**Issuer**” or together with its direct and indirect subsidiaries, unless otherwise indicated by the context, the “**Group**”), in relation to the application for admission for trading of the Issuer’s subordinated perpetual floating rate callable sustainable capital securities with ISIN SE0019019456 (the “**Capital Securities**”), issued under a framework of SEK 1,000,000,000, of which SEK 500,000,000 was issued on 18 November 2022 (the “**Issue Date**”), in accordance with the terms and conditions for the Capital Securities (the “**Terms and Conditions**”), on the sustainable bond list on Nasdaq Stockholm Aktiebolag (“**Nasdaq Stockholm**”). Concepts and terms defined in Section “*Terms and Conditions for the Capital Securities*” are used with the same meaning throughout the entire Prospectus unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus. The Issuer may at one or more occasions after the Issue Date issue Subsequent Capital Securities under the Terms and Conditions, until the total amount under such Subsequent Capital Security Issue(s) and the Initial Capital Security Issue equals SEK 1,000,000,000.

This Prospectus has been prepared by the Company and approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the “**SFSA**”) pursuant to Chapter II and Article 20 in the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”). Furthermore, Annexes 7 and 15 of the Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, form the basis for the content of this Prospectus. Approval and registration in accordance with the Prospectus Regulation does not constitute any guarantee from the SFSA that the information in this Prospectus is accurate or complete.

This Prospectus is not an offer for sale or a solicitation of an offer to purchase the Capital Securities in any jurisdiction. It has been prepared solely for the purpose of admitting the Capital Securities to trading on Nasdaq Stockholm. No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Capital Securities or the possession, circulation or distribution of any document or other material relating to the Issuer or the Capital Securities, in any jurisdiction other than Sweden, where action for that purpose would be required. Persons into whose possession this document comes are required to inform themselves about, and to observe, such requirements and restrictions. The Capital Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), and are subject to U.S. tax law requirements. The Capital Securities may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Issuer’s auditors. Certain financial information in this Prospectus may have been rounded off and, as a result, the numerical figures shown as totals in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. This Prospectus shall be read together with all documents that are incorporated by reference and possible supplements to this Prospectus. In this Prospectus, any references to “**SEK**” refer to Swedish Kronor.

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

The Capital Securities may not be a suitable investment for all investors and each potential investor in the Capital Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should (i) have sufficient knowledge and experience to make a meaningful evaluation of the Capital Securities, the merits and risks of investing in the Capital Securities and the information contained or incorporated by reference in this Prospectus or any applicable supplement; (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Capital Securities and the impact other Capital Securities will have on its overall investment portfolio; (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Capital Securities; (iv) understand thoroughly the Terms and Conditions; and (v) be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

This Prospectus has been prepared in English only and is governed by Swedish law. Disputes concerning, or related to, the contents of this Prospectus shall be subject to the exclusive jurisdiction of the courts of Sweden. The District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance. The Prospectus is available at the SFSA’s website (www.fi.se) and the Issuer’s website (www.trianon.se).

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RISK FACTORS

The purpose of this section is to enable a potential investor to assess the relevant risks related to their potential investment in the Capital Securities in order to make an informed investment decision. The below risk factors are therefore limited to risks that, in the meaning of Regulation (EU) 2017/1129, are material and specific, to the Company, the Group and the Capital Securities.

The manner in which the Company and the Capital Securities are affected by each risk factor is illustrated by way of an evaluation of the materiality of the relevant risk factor based on the probability of it occurring and the expected magnitude of its negative impact, for the purpose of which the probability is estimated as “low”, “medium” or “high” and the magnitude of negative impact if it would occur as “low”, “medium” or “high”. The most material risk factor in a category is presented first under that category, whereas subsequent risk factors in the same category are not ranked in order of materiality.

Regardless of whether the Company has estimated the probability of a risk factor occurring or the expected magnitude of its negative impact as “low”, “medium” or “high”, all risk factors included in this section have been assessed to be material and specific to the Company and/or the Capital Securities in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017.

RISK FACTORS SPECIFIC AND MATERIAL TO THE COMPANY AND THE GROUP

Market risk

Changes to macroeconomic factors may negatively impact the property sector

Operating in the property sector, the Company is strongly affected by macroeconomic factors such as the general economic development, growth, fluctuations in capital markets, the rate at which new housing and premises are produced, changes in infrastructure, the composition and growth of the population, inflation as well as interest rates. The Group operates mainly in the Malmö region and is therefore particularly susceptible for the macroeconomic development in that region. The general economic development in Sweden as well as local development in the Malmö region impacts employment rates, salary levels and demographic trends, all of which affect the demand for, and price of, the Group’s property assets.

Consequently, an overall decline or fluctuation in the demand for commercial and residential property, both in general and in the Malmö area, could affect rents, occupancy rates, demand in respect of the Company’s premises, the value of the Company’s properties as well as availability and cost of financing, which in turn would negatively affect the Group’s results of operation and financial position.

Inflation expectations affect the interest rates and therefore affect the Company’s financing costs, and interest on debt owed to credit institutions and outstanding market loans constitute one of the Company’s main cost items. In the long term, changes in the interest rate thus have a significant effect on the Company’s result and cash flow. In addition, changes in the general levels of interest and inflation rates affect the yield requirements and thus the market

value of the properties. There is a risk that the Company and the Group will not be able to negotiate lease agreements that wholly or partially compensate the inflation. If the Company's costs due to inflation increase more than the compensation due to index adjustments, it could have a material negative impact on the Company's operations, profit and financial position.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *high*.

The Company is subject to geographical risk with respect to the Malmö region

The Company currently operates mainly in the Malmö region, and is therefore particularly susceptible to economic factors affecting that region. A major demographic transformation has taken in place in Malmö over the past decades, with the city's industrial profile being replaced by a modern, knowledge-based profile, which has contributed to the development of the property market in the city. This trend may stagnate in the future, which could result in reduced demand and therefore adversely affect rental income, vacancy rates and property value, which in the long turn would adversely affect the Group's results of operation and financial position.

Moreover, an economic downturn in relation to companies operating in sectors essential to the future development of the Malmö area, including technology-intensive and consumer-oriented firms, could result in a deterioration similar to an economic decline, which in turn could lead to decreased demand for commercial premises and housing, as well as a decline in employment rates and population levels. Should such a negative trend in Malmö's future development occur, it could have a material negative impact on the Company's operations, financial position and earnings.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *medium*.

Risks related to the Group's financial situation

Interest rate risks and risk related to use of interest rate derivatives

The Company finances its operations by, *inter alia*, loans from credit institutes and the debt capital market, as bringing about long-term liabilities maintained at floating and fixed interest rates. As at 30 September 2022, the Group's interest bearing debt amounted to about SEK 7,204 million. Interest rate costs constitute one of the Company's largest cost items and the Group's financial costs during the first nine months of 2022 amounted to SEK 94.5 million. Interest rate risk refers to the risk that changes to market interest rates could negatively affect the Group's earnings and cash flow. Interest costs are primarily affected by current market interest rates and the margins of credit institutes as well as any interest lock-in period chosen by the Company. The majority of the Group's interest bearing debt is currently subject to floating rate interest. Market interest rates are primarily affected by the anticipated rate of inflation, with short-term interest rates governed mainly by the Swedish Central Bank's (Sw. *Riksbanken*) base rate. Decreased as well as increased interest rates could have a negative impact on the Company's operations, financial position and earnings.

Market interest rates could also have an impact on the part of the Company's liabilities consisting of interest rate swaps. Interest rate derivatives are reported at fair value. As market interest rates fluctuate, interest rate derivatives are subject to a theoretical increase or decrease in value, which does not impact on cash flow. In addition, there is a risk that the market interest rate will fall from the level where the interest rate swaps were originally determined, which leads to negative market values for the Company's interest rate swaps. Furthermore, a decrease in market interest rates would trigger a drop in the market value of the Company's interest rate derivatives, which could have a negative impact on earnings.

The Company considers that the probability of the above risks occurring is *medium to high*. If the risks would materialise, the Company considers the potential negative impact to be *high*.

The Company is subject to risks related to valuation of property

For the purpose of financial reporting, the Company's properties are all classified as investment properties and are reported at fair value in the balance sheet. The fair value is determined by an assessment of the market value for each property which is determined by a number of factors – some of which are property-specific, such as vacancy rates, rents, contract terms and operating costs, and some of which are market-specific, such as the required return on investment and imputed rate of interest derived from comparable transactions on the property market. As a result, a decline in property and market conditions could cause the value of the Company's properties to decline, which would have a material negative impact on the Company's operations, financial position and earnings. As at 30 September 2022, the Group's property value amounted to SEK 13,136 million, indicating that even minor changes in the value of the Group's property could have significant effects on the Group's balance sheet.

As a property owning company, the Company is dependent on an accurate valuation of its material property assets, for which purpose the Company consults external valuation expertise. There is a risk that the valuation carried out by such external expertise fails to reflect to accurate asset value of the Company or that any external expertise consulted terminates its agreements with the Company whereby other expertise will need to be sought. If the valuation does not accurately reflect the asset value or if external expertise cannot be retained on favourable terms or at all, it would result in that the Company incurs additional costs or must engage in time-consuming procedures, which in turn could have a material negative impact on the Company's operations, financial position and earnings.

The Company considers that the probability of the above risks occurring is *medium*. If the risks would materialise, the Company considers the potential negative impact to be *high*.

The Company is subject to risks related to increased property costs

The Group's property costs (Sw. *fastighetskostnader*) mainly relates to operational costs including heat and electricity, but also, among other costs, include costs for maintenance, renovations, waste collection and water. During the first nine months of 2022, the Group's property costs amounted to about SEK 140 million and increase in such property costs could have an adverse effect on the Group's results of operation and financial position. For example, the electricity price in Southern Sweden, where the majority of the Group's

property is located, has risen significantly in 2022 and during the first nine months of 2022 the property costs have increased by approximately SEK 13 million as a result thereof.

Goods and services purchased for the operation and maintenance of the Group's properties can in several instances only be obtained from a limited number of suppliers. In consequence, the Company may be forced to accept certain price levels less favourable to the Company and the opportunity to adequately control such costs may therefore be limited. For instance, heating costs are subject to seasonal variation, where low outdoor temperatures typically bring about higher prices and therefore increased costs, especially where the number of service providers are limited or supplier contracts cannot be negotiated, varied or otherwise price-adjusted. To the extent that any cost increase cannot be compensated for by a rent increase, the Group may incur additional costs.

The Company is obliged to maintain a certain standard with regard to its buildings and residential housing in order to comply with the terms of lease agreements as well as with regulatory requirements. About one fifth of the Company's total property expenditure relates to such maintenance costs. Such costs are recognised in the financial statements to the extent they constitute repair and maintenance for the purpose to maintain the original standard of the property. Other additional expenditures associated with maintenance is capitalised in the balance sheet to the extent such measures are deemed to increase the value of the property. Maintenance costs also include technical maintenance of the properties, leading to that structural defects, hidden faults and defects, damage (caused by, for example, power cuts, vermin, fire, asbestos or mould), contamination and severe weather conditions. As a result, unforeseen, extensive renovation work may lead to a substantial rise in maintenance costs.

Certain enterprises may require specific investment measures and specific tenant adaptations or may bring about general deterioration of the building. For example, several of the Company's properties have been utilised as, and adapted to the operations of schools, nurseries, residential care, libraries and sheltered housing. In order to satisfy the requirements of both the market and authorities, such adaptation related costs may be considerable, and there is a risk that any adaptations made may not meet the demands and expectations of future tenants, resulting in the Company potentially having to bear additional costly adaptations in the future.

Should any of the aforementioned risks materialise, it could have a material negative impact on the Company's operations, financial position and earnings.

The Company considers that the probability of the above risks occurring is *medium*. If the risks would materialise, the Company considers the potential negative impact to be *medium*.

Refinancing and liquidity risks

Liquidity and refinancing risks refer to the risk of increased cost and/or a limited scope for refinancing possibilities when loans are to be refinanced, and that the payment obligations cannot be fulfilled as a consequence of inadequate liquidity or difficulties in obtaining financing. Property companies often have significant levels of indebtedness and several creditors, meaning that borrowings fall due relatively frequently.

The Company is primarily financed through bank loans with security in real estate, pledges over shares in subsidiaries and business mortgages, as well as by way of a bond loan as well

as capital securities. The Group's interest bearing liabilities amounted to about SEK 7,204 million as at 30 September 2022.

There is a risk the Company may not be able to obtain additional financing, that existing financing will be cancelled and repayment requested immediately, or that new financing only may be obtained at terms less favourable to the Company. The Company, or other Group Companies, are at risk of defaulting under existing financing agreements, which may entitle lenders to cancel credit facilities and demand immediate payment of outstanding loans, as well as enforce security in property and/or other assets. If any default occur under loan terms, including under the Company's outstanding bond loan of series 2021/2023, cross-default provisions may be triggered resulting in that further obligations fall due and that security is enforced. If, in the future, the Group is unable to obtain the necessary financing or lacks the liquidity required in order to meet its obligations, is unable to refinance any obligations or may only be able to refinance obligations at significantly higher costs or fails to carry out a successful acquisition strategy bringing liquidity, this could have a negative impact on the Company's operations, financial position and earnings.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *high*.

Influence of major shareholders and change of control

As at 30 September 2022, the two largest shareholders combined held approximately 53 per cent. of the equity and 64 per cent. of the votes in the Company, and such shareholders are in turn either represented by or owned by certain founders, senior executives or members of the board of directors of the Company. The Company may, as a result of these shareholders' holdings in the Company, be controlled by certain majority shareholders whose interests may differ significantly from or compete with the Company's or the Group's interests or those of the holders and it is possible that such shareholders may exercise influence over the Company and the Group in a manner that is not in the best interests of the holders, particularly if the Company encounters difficulties or is unable to pay its debts as they fall due. Any majority shareholders have legal power to control a large amount of the matters to be decided by vote at a shareholder's meeting. For example, majority shareholders will have the ability to elect the board of directors, thus influencing its direction of the Group's operations and other affairs. Furthermore, majority shareholders may have an interest to pursue acquisitions, divestments, financings or other transactions that, in their judgment, could enhance their equity investments, although such transactions might involve undesired risks for the holders. There is nothing that prevents a shareholder or any of its affiliates from acquiring businesses that directly compete with the Group. If such an event were to arise, it could have a material negative impact on the Group's operations, earnings and financial position, which in turn could affect the holders' recovery under the Capital Securities.

In addition, the concentration of share ownership could, depending on the circumstances, accelerate, delay, postpone or prevent a change of control in the Group and impact mergers, consolidations, acquisitions or other forms of combinations, as well as distributions of profit, which may or may not be desired by the holders or involve risks to the holders. Such conflict of interest could have a material adverse effect on the Group's operations, earnings and

financial position as well as adversely affect the holders' payments under the terms and conditions for the Capital Securities (the "**Terms and Conditions**").

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *low*.

Risks related to jointly owned properties

The Company currently holds and may in the future hold interests in additional joint ventures, including joint ventures holding management and development properties. The shareholding in the joint ventures are reported through the equity method, which means that the Group's holding of net assets in the joint ventures are reported in its income statement. The shareholding in joint ventures are not regulated by shareholder agreements. Hence, the Company lacks the full decision-making power over the joint ventures, and cannot alone decide on investments or divestments of any assets, including management properties, held in joint ventures. There is a risk that discussions and disagreements will arise in jointly owned companies regarding the future operation of the company, including raising new financing as well as the development or possible sale of relevant property. Such discussions may lead to the Company not being able to develop property ownership in a profitable manner and may result in lengthy and costly disputes, which could divert management attention from the day-to-day business as well as bring about unexpected costs.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *medium*.

Risks related to the Group's business activities and industry

Risks associated with the acquisition and divestment of properties

Acquisition of properties forms an essential basis for the Company's operations. The Company is therefore dependent on that the market supply meets the Company's expectations and investment capacity, with, for example, regard to location and anticipated return on investment. Access to, and demand for, properties and construction rights, competition, planning, local regulations and access to financing may restrict the Company's ability to complete acquisitions at favourable terms or at all.

Moreover, the acquisition of properties is associated with risks relating to the properties themselves, for example, erroneous assumptions regarding the acquired asset's future return on investment, the risk of a decline in tenancy rates or unforeseen costs associated with meeting environmental requirements. Property transactions may also give rise to substantial transaction costs which cannot necessarily be compensated, for example, if a transaction is not completed or an acquisition being rescinded due to provisions in the contract or financing reservations. Gaps or shortcomings in due diligence may force the Company to procure unforeseen development and adaptation measures, or may even lead to long-term disputes. Furthermore, there is a risk the Company may not be reimbursed by a counterparty in relation to guarantee claims arising. Should any of the abovementioned risks materialise, it could have a negative impact on the Company's operations, financial position and earnings.

The Company's ability to divest properties at favourable terms depends on the development of the property market in the regions where the Group operates. There is a risk that the

property market lack liquid funds or other means to complete acquisitions, which could negatively affect the Company's ability to divest its properties. Should the Company be forced to divest one or more of its properties, for example, due to a decline in the Company's financial condition, there is a risk that such divestment cannot be completed at terms favourable to the company, or at all, which could have a negative impact on the Company's operations, financial position and earnings.

When divesting properties, there is also a risk that any defects will be identified by the new owner after the sale has been completed, which may entitle the owner to reimbursement or corrective measures from the Company. Such claims could have a negative impact on the Company's reputation, operations, financial position and earnings.

The Company considers that the probability of the above risks occurring is *medium*. If the risks would materialise, the Company considers the potential negative impact to be *medium*.

The Company is subject to risks relating to rental income

The Company's revenue primarily consist of rental income. Such income is dependent on rates of occupancy, rent, and rent delinquency among tenants. Rental rates and occupancy rates are, among other factors, affected by economic growth and the rate at which new premises and housing are produced. During 2021, around 35 per cent. of the Group's rental income was attributable to commercial letting and around 60 per cent. to residential letting. The Group's ten largest commercial tenants account for approximately half of the contracted revenues on an annual basis for commercial premises. Should one or more of the Company's major tenants refrain from renewal or extension of their lease agreements at the relevant expiry date, or should simultaneously a large amount of residential tenants be unable to fulfil their payment obligations *vis-à-vis* the Company, it could negatively affect occupancy rates and rental income.

Certain of the Company's tenants' operations are tax-funded and are subject to political decisions or cost-saving initiatives which in turn could affect the eligibility of extended contracts at expiry, at terms which are favourable to the Company. Should such contracts not be extended, it could negatively affect occupancy rates, with rental revenue falling as a result.

Furthermore, the Group aims to increase its attractiveness in areas where its properties are located. The Company may therefore need to incur higher investment costs, not only to keep its existing property portfolio competitive with new buildings, but also to invest in new property in order to maintain its market position. New buildings are typically associated with high rents and high relocation rate, which is why investments in new build property increase the Company's exposure to higher vacancy rates. Reduced rental income as a result of the above factors may affect the Group's operating profit and profit margin. The extent of the negative effects is mainly due to the Company's ability to compensate for reduced rental income with reduced costs.

Rental income is also affected by current market rates of rent. General market trends may impact rents in conjunction with the renegotiation of existing lease agreements, as well as during agreement of contracts with new tenants. Should the Company fail to enter into or

extend lease agreements at favourable terms, or at all, this could lead to a drop in occupancy rates and rental revenues.

Should one or more of the aforementioned risks materialise, it could have a material negative impact on the Company's operations, financial position and earnings.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *medium*.

Risks relating to the Company's project development

The Company's operations include new-builds, as well as adapting its existing property portfolio to tenants' needs by way of renovation, extension and other adaptation measures. It is thus a prerequisite for the Company's operations that such projects can be carried out with financial profitability. Extensive property-related projects are associated with substantial investments, and there is a risk that the costs for such investments cannot be compensated for by increased rents or the cutting of costs. Furthermore, the costs associated with investments and projects may be greater than anticipated, as a result of, for example, delays and unforeseen events, including changes to regulations or zoning plans, meaning that premises and/or residential housing cannot be utilised as intended.

One of the Group's ongoing development projects is, and future project development may be, subject to index-adjusted contract clauses by way of agreement between the Group and the contractor, entailing that the price for the construction works carried out may be adjusted for increased cost of materials (including raw materials such as metals, wood materials, prefabricated components such as concrete products and liners) and services (including by sub-contractors, installation services providers and other specialist services providers). There is a risk that costs for projects with index-adjusted contract clauses become significantly more expensive, on part of the Group, than originally anticipated as a result of unforeseen index developments.

In the event the Company cannot receive compensation for increased costs or income losses, the abovementioned risks, should they materialise, could have a negative impact on the Company's earnings from development projects.

The capacity to carry out new-builds, renovation and extension work as well as tenant adaptations depends on a number of factors, such as the Company obtaining necessary approval from authorities in relation to, for example, zoning plans and construction permits, and engaging sufficiently competent personnel at acceptable terms. The Company's development projects are carried out by external construction firms, meaning that the Company is dependent on access to external suppliers and contractors and the current price level of such services. There is limited access to suppliers providing such services to an extent and level meeting the standards and requirements of the Company. Hence, there is a risk that the Company may be unable to engage external parties in the event any of its existing suppliers resign, or if additional parties are necessary in order to carry out the Company's operations. There is also a risk that one or several of the parties currently engaged by the Company is subject to restructuring, shut-down, acquisition, or similar, which could bring about delays and increased costs for the services provided to the Company. Furthermore, the Company's dependence on external suppliers is associated with

certain project-related risks, such as delays, construction defects, hidden or other defects, damage and contamination, which could lead to that the relevant tenants, under certain circumstances, claim compensation from, or cancel their lease agreements with the Company. Delays in relation to development projects may also arise because of that construction permits are not granted or that administrative decisions relating to zoning plans are postponed, whereupon agreements with intended tenants may need to be cancelled. Should one or several of the aforementioned risks materialise, it could have a negative impact on the Company's operations, financial position and earnings.

The Company considers that the probability of the above risks occurring is *medium*. If the risks would materialise, the Company considers the potential negative impact to be *medium*.

The Company is subject to risks related to methods used to calculate rent

The calculation of rent differs substantially between commercial premises and residential properties. Levels of rent for commercial premises depend on the economic climate, and are primarily affected by factors such as general demand, the type of premises, design, standard, location and the allocation of costs and ongoing management measures between the tenant and property owner. Unlike rental calculation for commercial premises, rental calculation in relation to the Swedish residential housing rental market is not subject to freedom of pricing. Calculation of rent for residential housing is partially regulated through the so-called utility value system (Sw. *bruksvärdessystemet*) which is a control system for societal rent calculation whereby landlords may not impose rents which exceed certain agreed levels for rents at equivalent locations and standards, and that are set in collective negotiations for housing. As a general rule, rental negotiations on the Swedish housing market involve property owners, or associations thereof, and the Swedish Union of Tenants (Sw. *Hyresgästföreningen*). With respect to Malmö, the so called Malmö model – which is a local form of the utility value system – is in effect, consisting of an agreement between the Swedish Union of Tenants (South Skåne Region) and Malmö's Municipal Housing Enterprise (Sw. *Malmö Kommunala Bostadsbolag (MKB)*). With respect to rental calculation, the standard and location of apartments are given greater importance than otherwise the case in other geographical areas. Hence, the Company is particularly sensitive to standard and location of its properties in the calculation of rental rates, which may affect the level of rental income with respect to residential housing.

The regulated rent calculation on the private rental housing market is associated with the risk that general cost increases may not be compensated by increases in rental income, or that such an effect is delayed. Moreover, due to the rental levels being regulated, the development of rental rates with respect to residential housing may develop in a direction less favourable to the property owner. Should the Company be unable to compensate for the increased costs of housing by increased rents, it could have a material negative impact on the Company's operations, financial position and earnings.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *medium*.

Environmental and legal risks

The Company is subject to environmental risks

Both the construction of buildings and the activities subsequently taking place at properties have an impact on the environment. Hence, companies engaged in property management are subject to legislation on health, safety and the environment, as well as regulations governing the acquisition, ownership and management of properties. According to the Swedish Environmental Code (Sw. *miljöbalken (1998:808)*), parties whose activities at a property give rise to contamination shall also be liable for decontamination. Where such a party is unable to perform decontamination or carry the cost of such decontamination, liability shall, in certain cases, fall upon the party who owns or has acquired the property, provided that this party was aware of, or ought to have detected, the contamination when the property was acquired. Accordingly, there is a risk of the Company being held liable for the decontamination of existing properties, or those acquired in future, irrespective of whether the contamination was caused by the Company itself.

Environmental risks associated with the Company's operations primarily entail the risk of contamination and hazardous substances occurring in properties and buildings. For example, the Company continuously decontaminates a number of its properties from PCB. Environmental toxins, and in particular PCBs, are common in properties that were built in between 1950s and 1970s, which means that there is a risk that PCBs and other environmental toxins also occur in other parts of the Company's property portfolio. This may lead to the Group being forced to carry out investigations that burden the Company's results, nor can it be ruled out that further measures may need to be taken in connection with such investigations.

The Company is also subject to inspections by the Environmental Department (Sw. *Miljöförvaltningen*) on continuous basis, where there is an inherent risk of that the Company is ordered to take certain corrective measures. Inadequately adopted measures may result in the imposition of enforcement measures, fees or financial penalties and, in some cases, restrictions on the Company's activities.

Should any of the aforementioned risks materialise, it could have a materially negative impact on the Company's business, financial position and results of operation.

The Company considers that the probability of the above risks occurring is *medium*. If the risks would materialise, the Company considers the potential negative impact to be *medium*.

The Company is subject to tax legislation risks

The Group's operations is carried out in accordance with its interpretation of applicable laws, regulations and precedents within the tax field and in accordance with guidance from tax consultants. However, it cannot be ruled out that the Group's interpretation of applicable tax regulations and precedents is incorrect, nor that the tax regulations and precedents within the area changes with retroactive effect. The Group may also be subject to tax reviews and tax audits, which could result in additional taxes, interest or fees for the Group. For example, there is a risk that a tax review or audit finds that the Group's income tax or value added tax has been incorrect. This could result in the Group being obliged to pay additional tax and that tax surcharges are imposed, which would increase the Group's costs and decrease the

Group's cash flow, which could have a material adverse effect on the Company's ability to make payments under the Capital Securities.

The Group can also be affected by legislative changes within the tax field. For example, in March 2022 the Swedish Land Survey (Sw. *Lantmäteriet*) submitted the report "Stamp duty on acquisitions of real property by means of property formation measures" (Sw. *Stämpelskatt vid förvärv av fast egendom med hjälp av fastighetsbildningsåtgärder*) to the Government, in which it proposes a general stamp duty obligation when acquiring real property through certain property formation measures. If a general stamp duty obligation on acquisitions of real property through certain property formation measures is imposed, it could result in increased stamp duty costs for the Group when acquiring real property through property formation measures.

If any of the above mentioned risks would occur, it could result in raised tax costs and lower margins for the Group's business and a decreased cash flow, which in turn may have a material adverse effect on the Company's ability to make payments under the Capital Securities. The Company considers that the probability of the above risks occurring is *medium*. If the risks would materialise, the Company considers the potential negative impact to be *medium*.

RISKS FACTORS SPECIFIC AND MATERIAL TO THE CAPITAL SECURITIES

Risks related to the nature of the Capital Securities

Credit risks

An investment in the Capital Securities carries a credit risk relating to the Company and the Group. The holders' ability to receive payment under the Terms and Conditions of the Capital Securities is therefore dependent upon the Company's and the Group's ability and willingness to meet its payment obligations, which in turn is dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors, a number of which have been discussed in this material.

An increased credit risk may cause the market to charge the Capital Securities a higher risk premium, which would affect the 'Capital Securities' value negatively. Another aspect of the credit risk is that any deterioration in the financial position of the Group may reduce the Group's possibility to receive debt financing at the time of the redemption of the Capital Securities.

The Company considers that the probability of the above risks occurring is *medium*. If the risks would materialise, the Company considers the potential negative impact to be *low*.

Unsecured obligations

The Capital Securities constitute unsecured debt obligations of the Company. If the Company will be subject to any foreclosure, dissolution, winding-up, liquidation, bankruptcy or other insolvency proceedings, the holders of Capital Securities normally receive payment after any prioritised creditors, including those which are mandatorily preferred by law, have been paid in full. Further, following prioritised creditors receiving payment in full, the holders of Capital Securities will have an unsecured claim against the Company for the

amounts due under or in respect of the Capital Securities, which means that the holders of Capital Securities normally would receive payment *pro rata* with other unsecured creditors.

The Company considers that the probability of the risk occurring is *low*. If the risk would materialise, the Company considers the potential negative impact to be *medium*.

Risks related to sustainable Capital Securities

The Company intends to use the net proceeds of the issue of the initial Capital Securities and any subsequent Capital Securities in accordance with the Company's sustainable bond framework (the "**Sustainable Bond Framework**") dated October 2022, which aligns with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, and Social Bond Principles 2021 published by the International Capital Markets Association ("**ICMA**"). According to the Sustainability Bond Guidelines, sustainability bonds are any type of bond instrument where the proceeds will be exclusively applied to finance or refinance a combination of green and/or social projects. As there is currently no legal definition of as to what constitutes a "green", "social" or an equivalently-labelled project, there is a risk that any projects, asset or uses defined in the Sustainability Bond Framework will not meet current or future investor expectations regarding such activities/projects/assets.

Furthermore, a failure to apply proceeds in accordance with the Sustainability Bond Framework could result in investors being in breach of investment criteria or guidelines which an investor is required to comply with, which could result in remedies under the relevant investment criteria or guidelines, leading to claims or reputational damage.

The Company has obtained a second opinion from ISS Corporate Solutions (the "**Second Opinion**") to confirm the transparency of the Company's Sustainability Bond Framework and its alignment with ICMA's guidelines and principles referred to above. ISS Corporate Solutions is neither responsible for how the Sustainability Bond Framework is implemented and followed up by investors, authorities (as applicable) or other stakeholders, nor is ISS Corporate Solutions responsible for the outcome of the investments described in the Sustainability Bond Framework. There is a risk that the suitability or reliability of the Second Opinion is challenged by the Company, a potential investor, a bondholder, or any third party. Furthermore, second opinion providers, such as ISS Corporate Solutions, are currently not subject to any regulatory regime or oversight and there is a risk that such providers will be deemed as not being reliable or objective in the future.

As the market condition for sustainable instruments is rapidly changing, there is a risk that current or future investor expectations will not be met which could negatively affect the secondary trading of the Capital Securities. Such development could result in inability for holders to sell Capital Securities at attractive terms, or at all, or that the holding of Capital Securities is associated with reputational damage.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *low*.

Risks related to the admission of the Capital Securities to trading on a regulated market

The Company has the intention and shall use its best efforts (without assuming any legal or contractual obligation) to ensure that the Capital Securities are admitted to trading on the sustainable bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market within a certain stipulated time period, as defined in the Terms and Conditions.

There is a risk that the Capital Securities will not be admitted to trading on the relevant market place within the intended time frames or at all. If the Company fails to procure listing in time, investors holding Capital Securities on an investment savings account (Sw. *ISK* or *IS-konto*) will no longer be able to hold the Capital Securities on such account, thus affecting such investor's tax situation.

The Company considers that the probability of the risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *low*.

Risks related to the Holders' rights and representation

Subordinated obligations of the Company

The Capital Securities represent deeply subordinated debt obligations of the Company. This means that if the Company is subject to any dissolution, winding-up, liquidation, restructuring (Sw. *företagsrekonstruktion*), administrative or other bankruptcy or insolvency proceedings, the holders normally receive payment after all other creditors have been paid in full. Hence, in relation to such proceedings, holders' claims for the principal amount of their Capital Securities and any accrued and unpaid interest thereon will rank *pari passu* with any present or future claims in respect of obligations of the Company in respect of Parity Securities (as defined in the Terms and Conditions). Furthermore, claims will rank junior in right of payment to any present or future claims of all unsubordinated obligations of the Company and all Subordinated Indebtedness (as defined in the Terms and Conditions). In a liquidation or bankruptcy of the Company, claims will however rank in priority to all present and future claims in respect of the ordinary shares of the Company and any other obligation of the Company expressed to rank junior to the Capital Securities or any Parity Securities. As the holders only will have an unsecured claim against the Company, the holders may not recover any or all of its investment.

Other than the remedies set out in Clause 16 (*Default and Enforcement*) of the Terms and Conditions shall be available to the holders, whether for the recovery of amounts owing in respect of the Capital Securities or in respect of any breach by the Company of any of its other obligations under or in respect of the Capital Securities. Such remedies are limited to certain proceedings and enforcement following a default under the Terms and Conditions.

Each investor should therefore be aware of that an investment in the Capital Securities entails a risk that the investor loses all or part of its investment if the Company becomes liquidated, bankrupt, insolvent, carries out a restructuring or is wound-up.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *high*.

Structural subordination and insolvency of subsidiaries

A significant part of the Group's assets and revenues relate to the Company's subsidiaries. The subsidiaries are legally separated from the Company and the subsidiaries' ability to make payments to the Company is restricted by, among other things, the availability of funds, corporate and legal restrictions. In the event of insolvency, liquidation or a similar event relating to one or several of the Company's subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before the Company, as a shareholder, would be entitled to any payments. Thus, the Capital Securities are structurally subordinated to the liabilities of such subsidiaries. Defaults by, or the insolvency of, certain subsidiaries may result in the obligation for the Company to make payments under financial or performance guarantees in respect of such subsidiaries' obligations or the occurrence of cross defaults on certain borrowings of the Group. There is a risk that the Company and its assets would not be protected from any actions by the creditors of a subsidiary, whether under bankruptcy law, by contract or otherwise.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *medium*.

No limitation of issuing or guaranteeing debt

There is no restriction in the Terms and Conditions in relation to issuing or guaranteeing debt ranking senior to or *pari passu* with the capital securities. The Company and its subsidiaries may incur additional indebtedness or issue guarantees in respect of indebtedness or guarantees of third parties. Incurring such additional indebtedness may reduce the amount (if any) recoverable by holders if the Company is subject to any dissolution, winding-up, liquidation, restructuring, administrative or other bankruptcy or insolvency proceedings and may increase the likelihood of that interest payments under the Terms and Conditions are deferred, at the potential detriment on a holder.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *medium*.

Holders of the Capital Securities have very limited rights in relation to the enforcement of payments on the Capital Securities

If a default is made by the Company for a period of 30 days or more in relation to the payment of any interest, principal or premium in respect of the Capital Securities which is due and payable, the rights of the holders in respect of the Capital Securities are limited to instigating proceedings for an Issuer Winding-up (as defined in the Terms and Conditions), and the holders may prove and/or claim in respect of the Capital Securities in an Issuer Winding-up. Whilst the claims of the holders in an Issuer Winding-up are for the principal amount of their Capital Securities together with any deferred interest and any other accrued and unpaid interest, such claims will be subordinated as described above under "*Subordinated obligations of the Company*". Accordingly, claims in respect of the Capital Securities would rank junior to claims in respect of unsubordinated obligations of the Company in the event of an Issuer Winding-up. The holders are not entitled to accelerate payments of interest or principal under the Capital Securities in any circumstances outside an Issuer Winding-up.

Furthermore, whilst the holder may instigate other proceedings against the Company to enforce the terms of the Capital Securities, the Company shall not, by virtue of such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

Accordingly, the holders' rights of enforcement in respect of payments under the Capital Securities are very limited.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *high*.

The Capital Securities constitute perpetual obligations

The Capital Securities are perpetual meaning that the Capital Securities have no specified maturity date. The Company is not obliged to redeem the Capital Securities at any times and holders have no option to redeem the Capital Securities at any time. The Company may only redeem the Capital Securities in the circumstances described under Section 12 (*Redemption and repurchase of Capital Securities*) in the Terms and Conditions.

Any investor shall be aware of that it may be required to bear financial risks of the investment in the Capital Securities for a long period of time, in particular if no active trading on the secondary market occurs. Any investor shall also be aware of that it may not recover its investment in the Capital Securities before the Capital Securities are redeemed at the discretion of the Company. Any investor should therefore be aware that there is a risk that it may lose the whole or a part of its investment if the Company chooses not to redeem the Capital Securities.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *high*.

Deferral of interest payment

The Company may, at its sole discretion by giving notice to the holders, the agent and the issuing agent before the relevant interest payment date, elect to defer any interest payment, in whole or in part, which would otherwise be due on any interest payment date. If interest is deferred in accordance with the Terms and Conditions, the Company has no obligation to make such payment on the relevant Interest Payment Date (as defined in the Terms and Conditions) and any such non-payment of interest does not constitute a default or any other breach of obligations under the Capital Securities.

Deferral of interest payments may have an adverse effect on the market price for the Capital Securities. In addition, the availability to defer interest may result in that the market price for the Capital Securities is more volatile than otherwise would be the case for market prices of other securities in respect of which interest accrues over pre-determined interest periods. Furthermore, the possibility to defer interest payments may expose the holders to fluctuations in the Company's financial position and may result in that the yields from the Capital Securities are less foreseeable.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *medium*.

Risks related to redemption and repurchase of Capital Securities

Upon the occurrence of an Accounting Event, a Substantial Repurchase Event, a Tax Event or a Withholding Tax Event, (each as defined in the Terms and Conditions) the Company may redeem the Capital Securities in whole, but not some only, at any time at together with any deferred interest and any accrued and unpaid interest (however, the occurrence of any of these events do not entitle any of the holders to enforce and accelerate the Capital Securities). Furthermore, the Company may elect to redeem the Capital Securities in whole, but not some only, at par on the First Call Date (as defined in the Terms and Conditions) or on any interest payment date falling thereafter. The Company or any Group Company may, subject to applicable law, at any time and at any price purchase Capital Securities on the market or in any other way and Capital Securities held by a Group Company may at such Group Company's discretion be retained, sold or, if held by the Company, cancelled. In addition, upon the occurrence of a Change of Control (as defined in the Terms and Conditions) the Company may redeem the Capital Securities in whole to a certain redemption amount defined in the terms and Conditions.

If the Capital Securities are redeemed holders have the right to receive a redemption amount, which may exceed the nominal amount of the Capital Securities. There is a risk that the market value of the Capital Securities is higher than the amount received at redemption and that it may not be possible for holders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Capital Securities and may only be able to do so at a significantly lower rate.

The Company considers that the probability of the above risks occurring is *low*. If the risks would materialise, the Company considers the potential negative impact to be *medium*.

THE CAPITAL SECURITIES IN BRIEF

This section contains a general and broad description of the Capital Securities. It does not claim to be comprehensive or cover all details of the Capital Securities. Potential investors should therefore carefully consider this Prospectus as a whole, including the documents incorporated by reference, and the full Terms and Conditions for the Capital Securities included under Section “*Terms and Conditions for the Capital Securities*”, before a decision is made to invest in the Capital Securities.

Concepts and terms defined in Section “*Terms and Conditions for the Capital Securities*” are used with the same meaning in this section unless otherwise is explicitly understood from the context or otherwise defined in this Prospectus

General

Issuer:	Fastighets Aktiebolaget Trianon (publ), a public limited liability company incorporated under the laws of Sweden with registration number 556183-0281.
Resolutions, authorisations and approvals:	The Issuer’s board of directors resolved to issue the Capital Securities on 4 November 2022.
The Capital Securities offered:	SEK 500,000,000 subordinated perpetual floating rate callable sustainable capital securities. The Issuer may at one or more occasions after the Issue Date issue Subsequent Capital Securities under the same Terms and Conditions until the total amount under such issue together with the Capital Securities equals 1,000,000,000. As at the date of this Prospectus, no Subsequent Capital Securities have been issued.
Nature of the Capital Securities:	The Capital Securities constitute debt instruments (Sw. <i>skuldförbindelser</i>), each of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act (Sw. <i>lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument</i>).
Number of Capital Securities:	As of the date of this Prospectus, 250 Capital Securities have been issued. A maximum of 500 Capital Securities may be issued under the Terms and Conditions.
ISIN:	SE0019019456.
Issue Date:	18 November 2022.
Price:	All Capital Securities issued on the Issue Date have been issued at an issue price of 100.00 per cent. of the Nominal Amount.
Use of benchmark:	Interest payable for the Capital Securities issued under the Terms and Conditions is calculated by reference to STIBOR. As of the date of this Prospectus, the administrator (being Swedish Financial Benchmark Facility) does not appear in the register of

administrators and benchmarks maintained by ESMA pursuant to Article 36 of the regulation (EU) 2016/1011 (the Benchmark Regulation).

Nominal Amount: The initial nominal amount of each Bond is SEK 2,000,000 and the minimum permissible investment upon issuance of the Capital Securities was SEK 2,000,000.

Denomination: The Capital Securities are denominated in SEK.

Status of the Capital Securities: The Capital Securities, including the obligation to pay interest thereon, constitute direct, general, unconditional, unsecured and subordinated obligations of the Issuer. The rights and claims of the Holders in respect of the Capital Securities against the Issuer are subordinated as described below.

In the event of a voluntary or involuntary liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer (each an “**Issuer Winding-up**”), the Holders shall have a claim for the principal amount of their Capital Securities and any accrued and unpaid interest (including any Deferred Interest) thereon and such claims will rank (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Securities, (ii) in priority to all present and future claims in respect of the ordinary shares of the Issuer and any other obligation of the Issuer expressed by its terms as at its original issue date to rank junior to the Capital Securities or any Parity Securities; and (iii) junior in right of payment to any present or future claims of all unsubordinated obligations of the Issuer and all Subordinated Indebtedness.

In the event of a company re-construction (Sw. *företagsrekonstruktion*) of the Issuer under the Swedish Company Reorganisation Act (Sw. *lag (1996:764) om företagsrekonstruktion*), the Holders shall, in respect of their Capital Securities, have a claim for the principal amount of their Capital Securities and any accrued and unpaid interest (including any Deferred Interest) thereon and such claims will rank: (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Securities; and (ii) junior in right of payment to any present or future claims of all unsubordinated obligations of the Issuer and all Subordinated Indebtedness.

Use of Proceeds: An amount equivalent to the Net Proceeds of the Initial Capital Security Issue shall be applied by the Issuer in accordance with the Issuer’s Sustainability Bond Framework, including but not limited

to repurchasing all or some of the capital securities issued by the Issuer with ISIN SE0012453900.

Interest

Interest rate:	Interest on the Capital Securities is paid at a rate equal to the sum of (i) (3 months) STIBOR (or any reference rate replacing STIBOR in accordance with Clause 19 (<i>Replacement of Base Rate</i>) of the Terms and Conditions), plus (ii) the applicable Margin.
Margin:	The Margin is (a) in respect of the period from (but excluding) the First Issue Date to (and including) the First Call Date, seven (7.00) per cent. <i>per annum</i> ; (b) in respect of the period from (but excluding) the First Call Date to (and including) 18 November 2027, nine (9.00) per cent. <i>per annum</i> ; (c) in respect of the period from (but excluding) 18 November 2027 to (and including) 18 November 2029, ten (10.00) per cent. <i>per annum</i> ; (d) in respect of the period from (but excluding) 18 November 2029 to (and including) 18 November 2031, eleven (11.00) per cent. <i>per annum</i> ; and (e) in respect of the period from (but excluding) 18 November 2031 to (and including) the Redemption Date, twelve (12.00) per cent. <i>per annum</i> .
Step-up after a Change of Control Event:	Following the occurrence of a Change of Control Event the Interest Rate on the Capital Securities shall be increased by five (5.00) per centage points <i>per annum</i> with effect from (but excluding) the Change of Control Step-up Date. See further Clause 10.4 (<i>Step-up after a Change of Control Event</i>).
Default interest:	If the Issuer fails to pay any amount payable by it pursuant to Clause 11.3 (<i>Mandatory settlement of Deferred Interest</i>) or Clause 12 (<i>Redemption and repurchase of the Capital Securities</i>) (subject to certain exceptions), Clause 12.2 (<i>The Group Companies' purchase of Capital Securities</i>) and Clause 12.6 (<i>Cancellation of Capital Securities</i>) of the Terms and Conditions on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate of two (2.00) per centage points <i>per annum</i> . Accrued default interest shall not be capitalised. See further Clause 10.5 (<i>Default interest</i>) of the Terms and Conditions.
Interest Payment Dates:	Subject to optional interest payment deferral, 18 February, 18 May, 18 August and 18 November in each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.
Optional interest deferral:	The Issuer may, at any time and at its sole discretion, elect to defer any Interest Payment, in whole or in part, which is otherwise scheduled to be paid on an Interest Payment Date (except on any

Interest Payment Date on which the Capital Securities are to be redeemed) by giving notice to the Holders. See further Clause 11.1 (*Deferral of Interest Payments*).

Deferred Interest may be paid, in whole or in part, at any time at the option of the Issuer by giving notice to the Holders. See further Clause 11.2 (*Optional settlement of Deferred Interest*).

The Issuer must pay any Deferred Interest in whole upon a Deferred Interest Payment Event and on the date on which the Capital Securities are redeemed or repaid in accordance with Clause 12 (*Redemption and repurchase of the Capital Securities*) or Clause 16 (*Default and Enforcement*) of the Terms and Conditions. See further Clause 11.3 (*Mandatory settlement of Deferred Interest*) of the Terms and Conditions.

Redemption and repurchase

No maturity: The Capital Securities are perpetual and have no specified maturity date. The Issuer may only redeem the Capital Securities in the circumstances described in this Clause 12 (*Redemption and repurchase of the Capital Securities*) of the Terms and Conditions. The Capital Securities are not redeemable at the option of the Holders at any time.

The Group Companies' purchase of Capital Securities: The Issuer or any other Group Company may, subject to applicable regulations, at any time and at any price purchase Capital Securities in the market or in any other way. Capital Securities held by a Group Company may at such Group Company's discretion be retained, or sold, but not cancelled, except in connection with (a) a full redemption of the Capital Securities or (b) a Substantial Repurchase Event.

Voluntary redemption by the Issuer (call option): The Issuer may redeem all, but not only some, of the outstanding Capital Securities on the First Call Date or on any Interest Payment Date falling thereafter at a price per Capital Security equal to one hundred (100.00) per cent. of the Nominal Amount together with any Deferred Interest and any interest accrued from (but excluding) the immediately preceding Interest Payment Date to (and including) the Redemption Date.

First Call Date: The First Call Date is the date falling three (3) years after the First Issue Date or, *i.e.* 18 November 2025.

Voluntary redemption due to a Special Event: Upon the occurrence of a Special Event, the Issuer may redeem all, but not some only, of its Capital Securities at any time at a price per Capital Security equal to: (i) if the Redemption Date falls prior to the First Call Date, one hundred and one (101.00) per cent. of the

Nominal Amount; or (b) if the Redemption Date falls on or after the First Call Date, one hundred (100.00) per cent. of the Nominal Amount, in each case together with any Deferred Interest and any interest accrued from (but excluding) the immediately preceding Interest Payment Date to (and including) the Redemption Date.

Cancellation of Capital Securities: All Capital Securities which are redeemed and all Capital Securities purchased and elected to be cancelled pursuant will be cancelled and may not be reissued or resold. See further Clause 12.7 (*Cancellation of Capital Securities*) of the Terms and Conditions.

Miscellaneous

Transfer restrictions: The Capital Securities are freely transferable. Upon a transfer of Capital Securities, any rights and obligations under the Terms and Conditions relating to such Capital Securities are automatically transferred to the transferee.

Credit rating: No credit rating has been assigned to the Capital Securities.

Admission to trading: The Issuer has the intention and shall use its best efforts (without assuming any legal or contractual obligation) to ensure that (a) that the Initial Capital Securities are admitted to trading on the sustainable bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market within thirty (30) days after the First Issue Date and (b) that the Capital Securities, once admitted to trading on the relevant Regulated Market, continue being listed thereon (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Capital Securities in close connection to the redemption of the Capital Securities). The total expenses of the admission to trading of the Capital Securities are estimated to amount to approximately SEK 100,000.

Representation of the Bondholders: Nordic Trustee & Agency AB (publ), Swedish reg. no. 556882-1879, is acting as Agent for the Bondholders in relation to the Capital Securities and any other matter within its authority or duty in accordance with the Terms and Conditions.

By acquiring Capital Securities, each subsequent Holder confirms such appointment and authorisation for the Agent to act on its behalf, on the terms, including rights and obligations of the Agent, which is set out in the Terms and Conditions for the Capital Securities. The Terms and Conditions for the Capital Securities are incorporated in this Prospectus under the Section “*Terms and Conditions for the Capital Securities*” below, and are available at the Agent’s office address, Norrlandsgatan 23, SE-111 43

Stockholm, Sweden, during normal business hours as well as at the Agent's website, www.nordictrustee.com.

Governing law:	The Capital Securities are governed by Swedish law.
Time-bar:	The right to receive repayment of the principal of the Capital Securities shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of Interest (excluding any capitalised Interest) shall be time-barred and become void 3 years from the relevant due date for payment.
Clearing and settlement:	The Capital Securities are connected to the account-based system of Euroclear Sweden AB, Swedish reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden. This means that the Capital Securities are registered on behalf of the Bondholders on a securities account (Sw. <i>VP-konto</i>). No physical Capital Securities have been or will be issued. Payment of principal, interest will be made through Euroclear Sweden AB's book-entry system.
Risk factors:	Investing in the Capital Securities involves substantial risks and prospective investors should refer to Section " <i>Risk Factors</i> " for a discussion of certain factors that they should carefully consider before deciding to invest in the Capital Securities.

DESCRIPTION OF THE ISSUER AND THE GROUP

Overview of the Issuer

Fastighets Aktiebolaget Trianon (publ) was formed on 5 June 1973. The Company is a public limited liability company registered in Sweden and is governed by Swedish law including, but not limited to, the Swedish Companies Act and the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*).

<i>Legal form</i>	Public limited liability company
<i>Corporate registration number</i>	556183-0281
<i>LEI-code</i>	213800SWOEKEF29R3C35
<i>Incorporated</i>	15 August 1973
<i>Head office</i>	Municipality of Malmö
<i>Address</i>	Västra Kanalgatan 5, 211 41, Malmö, Sweden
<i>Visitors address</i>	Västra Kanalgatan 5, 211 41, Malmö, Sweden
<i>Phone number</i>	+(46) (0)40-611 34 00
<i>Website</i>	www .trianon.se (the information provided at the Issuer's website does not constitute part of this Prospectus unless explicitly incorporated by reference)
<i>Company/trade name</i>	Fastighets Aktiebolaget Trianon (registered on 7 September 1983)
<i>Operational objective</i>	The company shall manage, purchase, conduct and sell real property, along with activities related to such operations.

History and development

Below is a brief description of the Company's development including the most significant acquisitions and capital market events.

Year	Event
1973	The Company was originally founded.
2006	Olof Andersson acquired the Company which at such time had a portfolio at a book value of SEK 225 million. The first acquisition was made, Druvan 1.
2010	The Company was merged with Cineasten AB after which merger the property portfolio comprised 43,000 square metres.
2011	The Company acquired Vårsången 6 with 400 apartments and a surface area of 30,000 square metres.

- 2015** The Company acquired 13 properties located in Malmö and Limhamn with 148 apartments, 18 premises and 3 community purpose facilities from Annabostäder and acquires, through a subsidiary, 50 per cent. of the property Häggen 13, with 232 apartments and 20 premises.
- 2016** The Company acquired Rosengård Centrum including a shopping mall, education facilities, library and a sports center.
- 2017** The Company's shares were listed on Nasdaq First North Premier Growth Market. Entréfastigheterna were acquired for a purchase price of SEK 400 million.
- 2018** The Company issued corporate bonds in an amount of SEK 350 million, which were admitted to trading on the sustainable bond list of Nasdaq Stockholm. Furthermore, the Company acquired two properties in Norra Sorgenfri in Malmö with 26,000 building rights, existing premises at a surface area corresponding to 13,000 square metres and an additional property of 74,500 square metres.
- 2019** The Company issued its first green and social capital securities in an initial amount of SEK 400 million which were admitted to trading on the sustainable bond list of Nasdaq Stockholm. The Company closed its to that date most significant acquisition comprising 11 housing properties on Hermodsdal and Almhög.
- 2020** The Company's shares were listed on Nasdaq Stockholm main market. The Company completed acquisitions of properties in Limhamn, Nydala and central Malmö, as well as Skurup and Arlöv.
- 2021** The Company acquires Signatur Fastigheter, with properties in Trelleborg, Lund, Landskrona, Eslöv, Bjuv, Klippan, Helsingborg, Hässleholm, Osby, Vimmerby and Stockholm. The Company issued corporate bonds in an amount of SEK 500 million.

Business and operations

General

The Company is an entrepreneurial real estate company owning, managing, developing and building residential and commercial properties in Malmö and the surrounding area. The object of the Company's business, as set out in its articles of association, is to build, acquire, manage and develop property and activities compatible therewith. The Company works toward a sustainable city development through local commitment and a strong focus on customers with a vision of being the most profitable and well-run real estate company in Malmö.

The Group's property portfolio mainly consists of residential, commercial and community properties located mainly in Malmö and the surrounding area; City, Limhamn/Slottsstaden, Lindängen/Hermodsdal, Rosengård, Oxie, Burlöv, Svedala and Skurup. As at 30 September

2022, Trianon holds 154 properties with a total area of 491,200 square meters, excluding around 3,000 garage and parking spaces as well as seven properties recognised as associates and joint ventures. The total property value amounted to about SEK 13.1 billion as per 30 September 2022.

Business strategy and sustainability

The Company aims to be the most profitable and well-run real estate company in Malmö. By innovation, commitment and long-term perspective, Trianon aims to achieve sustainable urban development. The Company is profoundly engaged in sustainability projects and works actively with the United Nations Sustainable Development Goals (“SDGs”), mapping its investment and operating activities against several of the SDGs (no. 7, 8, 10, 11 and 13). The Company works for sustainable housing, both socially and environmentally, and being profiled as a long-term owner, the Company works with sustainability as an integral part of the management.

The Company is using sustainable renovations in order to facilitate housing with lower rents and uses social clauses in agreements with contractors, according to which the contractor is to employ unemployed persons, temporarily or permanently, in the area where the relevant project is carried out. In all building projects, the energy consumption level is compliant with Miljöbyggnad Silver. To spur sustainable development the Company partakes in collaborations such as Sharing Cities in order to develop new business models for sustainable housing areas with sharing facilities and reuse of resources. During the fourth quarter 2019, the Company founded a non-profit foundation (Momentum Malmö foundation) together with four of the five largest shareholders of the Company. The foundation shall invest in and support activities for increased safety and social sustainability in Malmö, primarily in relation to young persons.

In its Sustainability Financing Framework dated October 2022, the Company has identified eight ESG targets, which concretises the implementation work with the SDGs. The Company’s Sustainability Financing Framework is aligned with Sustainability Bond Guidelines which in turn are based on the Green Bond Principles and Social Bond Principles.

Material agreements

Neither the Issuer nor any other Group Company has entered into any material agreements that are not entered into in the ordinary course of its business, which could result in any Group Company being under an obligation or entitlement that is material to the Issuer’s ability to meet its obligations to the holders of Capital Securities under the Terms and Conditions, other than the following financing agreements.

- Two sustainability-linked financing agreements entered into with Svenska Handelsbanken in November 2022, with an aggregate outstanding loan amount of approximately SEK 1,874 million. The loan provided under the first agreement has an outstanding loan amount of SEK 974 million and mature in November 2025. The loan provided under the first agreement has an outstanding loan amount of SEK 900 million and mature in November 2028. The Group has provided security in mortgage certificates for its obligations under loans.

- The terms and conditions for the Company's bonds of series 2021/2023, with an outstanding amount of SEK 500 million (of which SEK 100 million is currently held by the Company). The bonds mature in August 2023 and accrue an annual interest of 3 months Stibor plus a margin of 2.75 per cent.

The above summary does not purport to describe all of the applicable terms and conditions of the agreements.

The Group

The Group currently consists of 150 Group Companies, including the Company which is the ultimate parent company of the Group, as well as three joint venture companies and one associated company.

The Group's operations are conducted through, and the majority of revenues of the Issuer emanates from, the Issuer's operational subsidiaries, associated companies and joint ventures. The Issuer is thus dependent on its subsidiaries, associated companies and joint ventures in order to generate profit and cash flow and to meet its obligations under the Terms and Conditions.

Recent events particular to the Issuer

Except for the issuance of the Capital Securities and the conclusion of a SEK 1.9 billion sustainability-linked loan with Svenska Handelsbanken, as announced by way of press release on 2 November 2022, there have been no recent events particular to the Issuer, which are to a material extent relevant to the evaluation of the Issuer's solvency.

Material adverse changes, significant changes and trend information

There has been no material adverse change in the prospects of the Issuer since the date of publication of its last audited financial report.

There have been no significant changes in the financial position or performance of the Group which has occurred since the end of the last financial period for which the Group has published interim financial information, being 3 November 2022.

Increased costs of interest and energy have been a concern during 2022 but, as of the date of this Prospectus, such factors have not had a material effect on the Group.

Governmental, legal or arbitration proceedings

The Group has not been party to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the previous twelve (12) months from the date of this Prospectus, which may have, or have had in the recent past, significant effects on the Issuer's and/or the Group's financial position or profitability.

Credit rating

No credit rating has been assigned to the Issuer.

OWNERSHIP STRUCTURE

Ownership structure

According to its articles of association, the Company's share capital shall be no less than SEK 70,000,000 and not more than SEK 280,000,000 divided into no less than 112,000,000 shares and not more than 448,000,000 shares. The Company's current share capital amounts to SEK 98,383,531 divided among 6,084,472 ordinary shares of series A (Sw. *stamaktier av serie A*) and 151,329,178 ordinary shares of series B (Sw. *stamaktier av serie B*). Ordinary shares of series A entitles the holder to one (1) vote, and ordinary shares of series B entitles the holder to one tenth of a (1/10) vote. The shares are denominated in SEK.

Since 17 December 2020, the Company's ordinary shares of series B are traded on Nasdaq Stockholm, with trading symbol TRIAN B and ISIN SE0018013658.

The largest shareholders of the Company as at 30 September 2022 are set out in the table below.

Shareholders	Number of shares	Share capital (%)	Votes (%)
Olof Andersson, private and through company	41,890,004	26.61	32.01
Jan Barchan, through company	41,423,552	26.32	31.79
Grenspecialisten Förvaltning AB	15,170,096	9.64	7.15
Länsförsäkringar Fastighetsfond	9,916,726	6.30	4.67
Mats Cederholm, private and through company	3,635,940	2.31	3.00
SEB Sverigefond Småbolag	5,498,060	3.49	2.59
Familjen Eklund private and through company	4,080,000	2.59	1.92
Verdipapirfondet Odin Eiendom	3,268,248	2.08	1.54
Handelsbanken Microcap	2,455,747	1.56	1.16
SEB Nanocap	1,966,900	1.25	0.93
Other shareholders	28,105,805	17.86	13.25

To ensure that the control over the Company is not abused, the Company complies with the Swedish Companies Act and the Nasdaq rules for issuers. Furthermore, Trianon complies with the Swedish Code of Corporate Governance (Sw. *Svensk Kod för Bolagsstyrning*) (the "Code"). Trianon deviates from clause 4.2 of the Code since a deputy board member has been appointed. The main shareholders consider this procedure to be expedient to prepare succession and ensure long-term continuity in the board of directors.

Shareholders' agreements

As far as the Issuer is aware, there are no shareholders' agreements or other agreements which could result in a change of control of the Issuer.

THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS

General

The division of duties between the board of directors and the CEO follows Swedish law and is set out in the rules of procedure for the board of directors and instructions for the CEO. The CEO and the CFO are responsible for the Issuer's ongoing management and operations, reports to the board of directors and are required to manage the operations in accordance with the board of directors' guidelines and instructions as well as provide the board with decision-aiding materials.

The business address for all members of the board of directors and the senior management is: Fastighets AB Trianon (publ), Västra Kanalgatan 5, SE-211 41 Malmö, Sweden. The board of directors of the Company currently consists of six members and one deputy member. Information on the members of the board of directors and the senior management, including significant assignments outside the Company which are relevant for the Company, is set forth below.

Board of directors

Overview

Name	Position	Independent*	Shareholding**
Viktoria Bergman	Chairman	Yes	20,000
Olof Andersson	Board member and CEO	No	42,976,927
Axel Barchan	Board member	Yes	115,600
Richard Hultin	Board member	Yes	5,320
Jens Ismunden	Board member	Yes	8,400
Elin Thott	Board member	Yes	-
Sofie Karlsryd	Deputy member	No	35,932

* Independent in relation to the Issuer and its executive management

** Shareholding as at the date of this Prospectus.

Members

Viktoria Bergman

Born 1965 and of Swedish nationality. Member of the Company's board of directors since 2017. Current assignments outside the Group include Galber AB (chairman of the board), WaterAid Sweden (deputy chairman), Vattenfall AB (member of the board) and Cinis Fertilizer AB (member of the board).

Olof Andersson

Born 1965 and of Swedish nationality. Member of the Company's board of directors since 2006. Olof Andersson is also the CEO of the Company. Current assignments outside the Group include board memberships in Sydsvenska Hem AB, Förvaltnings AB Norra Vallgatan and Anbace Invest AB.

Axel Barchan

Born 1993 and of Swedish nationality. Member of the Company's board of directors since

2020. Current assignments outside the Group include board memberships in Brihan Invest Aktiebolag, Utvecklingsaktiebolaget Laburnum, Nok9 AB, Adimo Aktiebolag, ElectDis AB and Spicebomb AB.

Richard Hultin

Born 1956 and of Swedish nationality. Member of the Company's board of directors since 2021. Current assignments outside the Group include board memberships in At Work Sweden AB, IW Service AB, SMT Malmö Partner Holding AB, Burlöv Center Fastighets AB and Consulenza AB.

Jens Ismunden

Born 1976 and of Swedish nationality. Member of the Company's board of directors since 2020. Current assignments outside the Group include board memberships in Bata-Loyal AB (chairman), New Port Securities AB, Radinn AB (chairman), Youple AB, Aktiebolaget Bahirra (chairman), Bosam Fund I AB (publ) and Orbit Alliance AB (chairman) as well as an engagement with and RoosGruppen AB (Senior Advisor).

Elin Thott

Born 1972 and of Swedish nationality. Member of the Company's board of directors since 2017. Current assignments outside the Group include Advokatbyrå Sigeman & Co AB (member of the board and partner), FPTK Arena AB (member of the board) and the non-profit association Fair Play Tennisklubb (member of the board).

Sofie Karlsryd

Born 1986 and of Swedish nationality. Deputy member of the Company's board of directors since 2010. Current assignments outside the Group include Olof Andersson Förvaltnings Aktiebolag (member of the board) and SJK Invest AB (member of the board).

Executive management

Overview

Name	Position	Shareholding*
Olof Andersson	CEO	42,976,927
Mari-Louise Hedbys	CFO and deputy CEO	213,302
Anna Heide	Business development manager	133,702
Jonas Karlsryd	Head of transactions	335,736
Gert Ternström	Property manager	
Lars Åkewall	Property manager	356,923

* Shareholding as at the date of this Prospectus.

Members

Olof Andersson

Olof Andersson is CEO of the Company. For information regarding assignments outside the Group's business, please refer to the Section "Board of directors" above.

Mari-Louise Hedbys

Mari-Louise Hedbys is CFO of the Company since 2012 and deputy CEO since 2015. Current assignments outside the Group include Mahema Invest AB (member of the board).

Anna Heide

Anna Heide is business development manager of the Company since 2017. Current assignments outside the Group include Östra Greve Folkhögskoleförening upa (member of the board), På Limhamn ek för (member of the board), Fastighetsägarna Malmödistriktet (member of the board), and Aktiebolaget Boost By FC Rosengård (member of the board).

Jonas Karlsryd

Jonas Karlsryd is head of transactions since 2021. Current assignments outside the Group include chairmanship of the board of SJK Invest AB.

Gert Ternström

Gert Ternström is property manager of the Company since 2019. Gert holds no current assignments outside the Group.

Lars Åkewall

Lars Åkewall is property manager of the Company since 2013. Lars holds no current assignments outside the Group.

Conflicts of interests within administrative, management and control bodies

None of the members of the board of directors or the executive management of the Issuer has a private interest that may be in conflict with the interests of the Issuer except as described below. However, the majority of the members of the board of directors or and executive management have financial interests in the Issuer as a consequence of their holdings of shares in the Issuer. The members of the board of directors and executive management may serve as directors or officers of other companies or have significant shareholdings in other companies which may result in a conflict of interest. In the event that such conflict of interest arises at a board meeting, a board member which has such conflict will abstain from voting for or against the approval of such participation, or the terms of such participation. As far as the Issuer is aware, the following conflicts of interest exist as of the date of this Prospectus:

Board member Axel Barchan is closely related to Jan Barchan (major shareholder).

Furthermore, deputy board member Sofie Karlsryd is closely related to Olof Andersson (board member, CEO and major shareholder) and married to Jonas Karlsryd (head of transactions).

Notwithstanding the above, it cannot be excluded that other conflicts of interest may arise in the future between companies, in which members of the board of directors or the executive management of the Issuer have duties, and the Issuer.

Auditor

Mazars AB, has been the Company's auditor for the period covered by the historical financial information incorporated into this Prospectus by reference. Anders Persson has been the auditor in charge since the annual general meeting of the Company in 2020. Prior to that, Tomas Ahlgren was the Company's auditor in charge. Tomas Ahlgren and Anders Persson are members of FAR. The business address to Mazars AB is P.O. Box 4211, SE-203 13, Malmö, Sweden.

Unless otherwise explicitly stated, no information contained in this Prospectus has been audited or reviewed by the Company's auditors.

SUPPLEMENTARY INFORMATION

Information about the Prospectus

This Prospectus has been approved by the SFSA as competent authority under Regulation (EU) 2017/1129. The SFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. The SFSA's approval should not be considered as an endorsement of the Issuer that is the subject of this Prospectus, nor should it be considered as an endorsement of the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Capital Securities.

Authorisations and responsibility

The Issuer has obtained all necessary resolutions, authorisations and approvals required in conjunction with the issuance of the Capital Securities and the performance of its obligations relating thereto. The issuance of the Capital Securities on 18 November 2022 was resolved upon by the board of directors of the Issuer on 4 November 2022.

The board of directors of the Issuer is responsible for the information contained in the Prospectus. The board of directors of the Issuer declares that, to the best of its knowledge, the information contained in the Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import. The board of directors of the Issuer is responsible for the information given in the Prospectus only under the conditions and to the extent set forth in Swedish law.

Information from third parties

Any information in this Prospectus which has been sourced from a third party has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Interests of involved persons

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

Documents available for inspection

Copies of the following documents are available at the Issuer's head office in paper format during the validity period of this Prospectus and also available in electronic format at the Issuer's website, www.trianon.se.

- (a) The Issuer's articles of association.
- (b) The Issuer's certificate of registration.

- (c) The Group's consolidated audited annual report for the financial year ended 31 December 2020, including the applicable audit report.
- (d) The Group's consolidated audited annual report for the financial year ended 31 December 2021, including the applicable audit report.

FINANCIAL INFORMATION

Historical financial information

The Group's consolidated audited annual reports for the financial years 2020 and 2021 have been incorporated in this Prospectus by reference. The information incorporated by reference is to be read as part of this Prospectus. Information in the documents below, which has not been incorporated by reference, is not a part of this Prospectus and is either deemed by the Issuer to be irrelevant for investors in the Capital Securities or is covered elsewhere in the Prospectus.

All financial information in this Prospectus relating to the 2022 financial period or 30 September 2022 derives from the Issuer's unaudited consolidated interim financial statements for the financial period 1 January–30 September 2022 and has not been audited or reviewed by the Issuer's auditor.

Accounting standards

The accounting principles applied in the preparation of the Company's financial statements presented below are set out in the following and have been consistently applied to all the years presented, unless otherwise stated.

The financial information presented below have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as well as interpretative notices from IFRS Interpretation Committee (IFRIC) as adopted by the European Union. Furthermore, the Group applies the Swedish Financial Reporting Board's recommendation RFR 1 (Sw. *Kompletterande redovisningsregler för koncerner*), specifying the amendments of the IFRS information required by the Swedish Annual Accounts Act (Sw. *Årsredovisningslagen*). In addition, the Company applies the Swedish Financial Reporting Board's recommendation RFR 2 Reporting for Legal Entities (Sw. *Redovisning för juridiska personer*).

Auditing of the historical financial information

The Company's consolidated annual reports presented below have been incorporated in this Prospectus by reference. The consolidated annual reports have been audited by the Company's auditor Mazars AB and the auditor's report has been incorporated in this Prospectus through the consolidated annual reports for the financial years 2020 and 2021 by reference.

Unless otherwise explicitly stated, no other information contained in this Prospectus has been audited or reviewed by the Issuer's auditor.

Incorporation by reference

The following information in the Company's consolidated audited annual reports for the financial years 2020 and 2021 is incorporated in this Prospectus by reference and is available at the Issuer's website, www.trianon.se. For particular financial figures, please refer to the pages set out below.

Reference	Pages
The Company's consolidated annual report 2020	
Consolidated income statement	86
Consolidated balance sheet	87
Consolidated changes in equity	88
Consolidated cash flow statement	89
Notes	95–126
Auditor's report	128–131
The Group's consolidated annual report 2021	
Consolidated income statement	69
Consolidated balance sheet	70
Consolidated changes in equity	71
Consolidated cash flow statement	72
Notes	77–97
Auditor's report	99–101

TERMS AND CONDITIONS FOR THE CAPITAL SECURITIES

TERMS AND CONDITIONS



FASTIGHETS AKTIEBOLAGET TRIANON (PUBL)

MAXIMUM SEK 1,000,000,000

**SUBORDINATED PERPETUAL FLOATING RATE
CALLABLE SUSTAINABLE CAPITAL SECURITIES**

ISIN: SE0019019456

LEI: 213800SWOEKEF29R3C35

First Issue Date: 18 November 2022

SELLING RESTRICTIONS

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

The Capital Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and are subject to U.S. tax law requirements. The Capital Securities may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons.

PRIVACY STATEMENT

Each of the Issuer, the Agent and the Issuing Agent may collect and process personal data relating to the Holders, the Holders' representatives or agents, and other persons nominated to act on behalf of the Holders pursuant to the Terms and Conditions (name, contact details and, when relevant, holding of Capital Securities). The personal data relating to the Holders is primarily collected from the registry kept by the CSD. The personal data relating to other Persons is primarily collected directly from such Persons.

The personal data collected will be processed by the Issuer, the Agent and the Issuing Agent for the following purposes (i) to exercise their respective rights and fulfil their respective obligations under the Terms and Conditions, (ii) to manage the administration of the Capital Securities and payments under the Capital Securities, (iii) to enable the Holders to exercise their rights under the Terms and Conditions and (iv) to comply with its obligations under applicable laws and regulations.

The processing of personal data by the Issuer, the Agent and the Issuing Agent in relation to items (i) to (iii) above is based on their legitimate interest to exercise their respective rights and to fulfil their respective obligations under the Terms and Conditions. In relation to item (iv), the processing is based on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Issuer, the Agent or the Issuing Agent (as applicable). Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.

Personal data collected may be shared with third parties, such as the CSD, when necessary to fulfil the purpose for which such data is processed.

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer, the Agent or the Issuing Agent (as applicable). In addition, data subjects have the right to (i) request that personal data is rectified or erased, (ii) object to specific processing, (iii) request that the processing be restricted and (iv) receive personal data provided by themselves in machine-readable format.

Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

The Issuer's, the Agent's and the Issuing Agent's addresses, and the contact details for their respective data protection officers (if applicable), are found on their respective websites: www.trianon.com, www.nordictrustee.com and www.swedbank.com.

TERMS AND CONDITIONS

1 DEFINITIONS AND CONSTRUCTION

1.1 Definitions

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

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

“**Accounting Event**” means the receipt by the Issuer of an opinion of an authorised accountant (Sw. *auktoriserad revisor*) in Sweden (experienced in such matters) to the effect that, as a result of a change in the Accounting Principles or interpretation thereof, the equity treatment of the Capital Securities as “equity” in full in the Issuer’s consolidated financial statements has or will cease.

“**Accounting Principles**” means international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

“**Adjusted Nominal Amount**” means the Total Nominal Amount of the Capital Securities less the Nominal Amount of all Capital Securities owned by a Group Company or an Affiliate thereof, irrespective of whether such person is directly registered as owner of such Capital Securities.

“**Affiliate**” means, in respect of any Person, any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purpose of this definition, “control” when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“**Agency Agreement**” means the agreement entered into prior to the First Issue Date between the Issuer and the Agent, or any replacement agent agreement entered into after the First Issue Date between the Issuer and an Agent.

“**Agent**” means the Holders’ agent under these Terms and Conditions from time to time; initially Nordic Trustee & Agency AB (publ) reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden.

“**Base Rate**” means STIBOR (3 months) or any reference rate replacing STIBOR in accordance with Clause 19 (*Replacement of Base Rate*).

“**Base Rate Administrator**” means Swedish Financial Benchmark Facility AB (SFBF) in relation to STIBOR or any person replacing it as administrator of the Base Rate.

“**Business Day**” means a day in Sweden other than a Sunday or other public holiday. Saturdays, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New

Year's Eve (Sw. *nyårsafton*) shall for the purpose of this definition be deemed to be public holidays.

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

“Capital Security” means debt instruments (Sw. *skuldförbindelser*), each representing the Nominal Amount and of the type set forth in Chapter 1 section 3 of the Financial Instruments Accounts Act, issued by the Issuer under these Terms and Conditions, including the Initial Capital Securities and any Subsequent Capital Securities.

“Change of Control Event” means an event or series of events whereby one or more Persons (other than any Main Shareholder) acting together, acquire control over the Issuer and where “control” means:

- (a) acquiring or controlling, directly or indirectly, more than fifty (50.00) per cent. of the votes of the Issuer; or
- (b) the right to, directly or indirectly, appoint or remove all or a majority of the directors of the board of directors of the Issuer.

“Change of Control Step-up Date” means the date falling six (6) months after the date on which a Change of Control Event has occurred.

“CSD” means the Issuer's central securities depository and registrar in respect of the Capital Securities from time to time; initially Euroclear Sweden AB reg. no. 556112-8074, P.O. Box 191, SE-101 23 Stockholm, Sweden.

“CSD Regulations” means the CSD's rules and regulations applicable to the Issuer, the Agent and the Capital Securities from time to time.

“Debt Register” means the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Capital Securities in which a Holder is registered.

“Deferred Interest” has the meaning ascribed to it in Clause 11 (*Optional interest deferral*).

“Deferred Interest Payment Event” means any one or more of the following events:

- (a) declaration or payment of any distribution or dividend or any other payment made by the Issuer on its share capital or any other obligation of the Issuer which ranks or is expressed by its terms to rank junior to the Capital Securities or any Parity Securities;
- (b) declaration or payment of any distribution or dividend or any other payment made by the Issuer or any Subsidiary of the Issuer, as the case may be, on any Parity Securities;
- (c) redemption, repurchase, repayment, cancellation, reduction or other acquisition by the Issuer or any Subsidiary of the Issuer of any shares of the Issuer or any other obligation of the Issuer which ranks or is expressed by its terms to rank junior to the Capital Securities or any Parity Securities; and/or

- (d) redemption, repurchase, repayment, cancellation, reduction or other acquisition by the Issuer or any Subsidiary of the Issuer of any Parity Securities,

save for:

- (i) in each case, any compulsory distribution, dividend, other payment, redemption, repurchase, repayment, cancellation, reduction or other acquisition required by the terms of such securities or by mandatory operation of applicable law;
- (ii) in each case, any declaration or payment of any distribution or dividend or any other payment made by the Issuer on its share capital, which is made by reason of a claim (in accordance with the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*)) by shareholder(s) owning not less than ten (10.00) per cent. of the shares in the Issuer;
- (iii) in the case of paragraph (b) above only, any partial payment of accrued but unpaid interest on Parity Securities, provided that all accrued but unpaid interest on the Capital Securities and all outstanding Parity Securities at the same time is paid *pro rata*;
- (iv) in the case of paragraph (c) above only, any redemption, repurchase, repayment, cancellation, reduction or other acquisition that is executed in connection with, or for the purpose of:
 - (A) any reduction of the quota value of the share capital of the Issuer without a corresponding return of cash, capital or assets to shareholders of the Issuer; or
 - (B) any share buyback programme then in force and duly approved by the shareholders' general meeting of the Issuer or the relevant Subsidiary of the Issuer (as applicable) or any existing or future stock option plan or free share allocation plan or other incentive plan, in all cases, reserved for directors, officers and/or employees of the Issuer or the relevant Subsidiary of the Issuer or any associated hedging transaction; and
- (v) in the case of paragraph (d) above only, any redemption repurchase, repayment, cancellation, reduction or other acquisition executed in whole or in part in the form of a public tender offer or public exchange offer at a consideration per Parity Security below its par value.

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

“First Call Date” means the date falling three (3) years after the First Issue Date or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention.

“**First Issue Date**” means 18 November 2022.

“**Force Majeure Event**” has the meaning ascribed to it in Clause 26.1.

“**Group**” means the Issuer and all the Subsidiaries from time to time (each a “**Group Company**” and all together the “**Group**”).

“**Holder**” means the Person who is registered on a Securities Account as direct registered owner (Sw. *ägare*) or nominee (Sw. *förvaltare*) with respect to a Capital Security.

“**Holders’ Meeting**” means a meeting among the Holders held in accordance with Clause 17.2 (*Holders’ Meeting*).

“**Initial Capital Securities**” means the Capital Securities issued on the First Issue Date.

“**Initial Capital Security Issue**” means the issuance of Capital Securities on the First Issue Date.

“**Interest**” means the interest on the Capital Securities calculated in accordance with Clause 10 (*Interest*).

“**Interest Payment**” means, in respect the payment of Interest on an Interest Payment Date, the amount of Interest payable for the relevant Interest Period in accordance with Clause 10 (*Interest*).

“**Interest Payment Date**” means, subject to Clause 11 (*Optional interest deferral*), 18 February, 18 May, 18 August and 18 November in each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention, with the first Interest Payment Date for the Capital Securities being the first Interest Payment Date following the First Issue Date and the last Interest Payment Date being the relevant Redemption Date.

“**Interest Period**” means each period beginning on (but excluding) the First Issue Date or any Interest Payment Date and ending on (and including) the next succeeding Interest Payment Date (or, if the Capital Securities are redeemed prior to such Interest Payment Date, the relevant Redemption Date) and, in respect of any Subsequent Capital Securities, each Interest Period beginning on (but excluding) the Interest Payment Date falling immediately prior to their issuance (or the First Issue Date if there is no such Interest Payment Date) and ending on (and including) the next succeeding Interest Payment Date (or, if the Capital Securities are redeemed prior to such Interest Payment Date, the relevant Redemption Date).

“**Interest Rate**” means the Base Rate *plus* the applicable Margin, as adjusted by any application of Clause 19 (*Replacement of Base Rate*). For the avoidance of doubt, if any such total rate is below zero then the Interest Rate will be deemed to be zero.

“**Issue Date**” means the First Issue Date or any subsequent date when Subsequent Capital Securities are issued.

“**Issuer**” means Fastighets Aktiebolaget Trianon (publ), a public limited liability company incorporated under the laws of Sweden with reg. no. 556183-0281 and registered address Västra Kanalgatan 5, 211 41 Malmö, Sweden.

“Issuer Winding-up” has the meaning ascribed to it in paragraph (a) of Clause 3.2.

“Issuing Agent” means Swedbank AB (publ), reg. no. 502017-7753, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

“Main Shareholders” means each of Jan Barchan, personal identification no. 460117-3992, and Olof Andersson, personal identification no. 650708-4397, by way of direct or indirect ownership of shares, and their Affiliates.

“Margin” means, subject to Clause 10.4 (*Step-up after a Change of Control Event*):

- (a) in respect of the period from (but excluding) the First Issue Date to (and including) the First Call Date, seven (7.00) per cent. *per annum*;
- (b) in respect of the period from (but excluding) the First Call Date to (and including) 18 November 2027, nine (9.00) per cent. *per annum*;
- (c) in respect of the period from (but excluding) 18 November 2027 to (and including) 18 November 2029, ten (10.00) per cent. *per annum*;
- (d) in respect of the period from (but excluding) 18 November 2029 to (and including) 18 November 2031, eleven (11.00) per cent. *per annum*;
- (e) in respect of the period from (but excluding) 18 November 2031 to (and including) the Redemption Date, twelve (12.00) per cent. *per annum*.

“Nasdaq Stockholm” means the Regulated Market of Nasdaq Stockholm Aktiebolag, reg. no. 556420-8394, SE-105 78 Stockholm, Sweden.

“Net Proceeds” means the proceeds from the issuance of any Capital Securities after deduction has been made for all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer in connection with the issuance and listing of such Capital Securities.

“Nominal Amount” has the meaning ascribed to it in Clause 2.1.

“Parity Securities” means any obligations of:

- (a) the Issuer, issued directly or indirectly by it, which rank, or are expressed to rank, *pari passu* with the Capital Securities; and
- (b) any Subsidiary of the Issuer having the benefit of a guarantee or support agreement from the Issuer which ranks or is expressed to rank *pari passu* with the Capital Securities.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation, government, or any agency or political subdivision thereof, or any other entity, whether or not having a separate legal personality.

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

“Record Date” means the fifth (5th) Business Day prior to:

- (a) an Interest Payment Date;
- (b) a Redemption Date; or
- (c) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the Swedish bond market.

“**Redemption Date**” means the date on which the relevant Capital Securities are to be redeemed or repurchased in accordance with Clause 12 (*Redemption and repurchase of the Capital Securities*).

“**Reference Banks**” means Nordea Bank Abp, filial i Sverige, Skandinaviska Enskilda Banken AB (publ) and Swedbank AB (publ) (or such other banks as may be appointed by the Issuing Agent in consultation with the Issuer).

“**Regulated Market**” means any regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments.

“**Securities Account**” means the account for dematerialised securities maintained by the CSD pursuant to the Financial Instruments Accounts Act in which:

- (a) an owner of such security is directly registered; or
- (b) an owner’s holding of securities is registered in the name of a nominee.

“**SEK**” or “Swedish Kronor” means the lawful currency of Sweden.

“**Special Event**” means any of an Accounting Event, a Substantial Repurchase Event, a Tax Event, a Withholding Tax Event or any combination of the foregoing.

“**STIBOR**” means:

- (a) the Stockholm interbank offered rate (STIBOR) administered by the Base Rate Administrator for the offering of deposits in Swedish Kronor and for a period equal to the relevant Interest Period, as displayed on page STIBOR= of the Refinitiv screen (or through such other system or on such other page as replaces the said system or page) as of or around 11.00 a.m. on the Quotation Day;
- (b) if no rate as described in paragraph (a) is available for the relevant Interest Period, the rate determined by the Issuing Agent by linear interpolation between the two closest rates for STIBOR fixing, as displayed on page STIBOR= of the Refinitiv screen (or any replacement thereof) as of or around 11.00 a.m. on the Quotation Day for the offering of deposits in Swedish Kronor;
- (c) if no rate as described in paragraph (a) or (b) is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Issuing Agent at its request quoted by the Reference Banks, for deposits of SEK 100,000,000 for the relevant period; or
- (d) if no rate as described in paragraph (a) or (b) is available for the relevant Interest Period and no quotation is available pursuant to paragraph (c), the interest rate which

according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Swedish Kronor offered in the Stockholm interbank market for the relevant period.

“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 an Issuer Winding-up to the claims of all unsubordinated creditors of the Issuer but senior to the Capital Securities or to the obligations of the Issuer in respect of any Parity Securities.

“Subsequent Capital Securities” means any Capital Security issued in a Subsequent Capital Security Issue.

“Subsequent Capital Security Issue” has the meaning set forth in Clause 2.5.

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

“Substantial Repurchase Event” shall be deemed to occur if the Issuer and/or any of its Subsidiaries repurchases and cancels or has at any time repurchased and cancelled, a principal amount of Capital Securities equal to or greater than eighty (80.00) per cent. of the aggregate principal amount of the Capital Securities issued (which shall include, for these purposes any Subsequent Capital Securities).

“Sustainability Bond Framework” means the Issuer’s sustainability bond framework, as it is worded on the Issue Date of the relevant Capital Securities.

“Tax Event” means the receipt by the Issuer of an opinion of a well reputed counsel in Sweden (experienced in such matters) to the effect that, as a result of a Tax Law Change, any interest payments under the Capital Securities were, but are no longer, tax-deductible by the Issuer for Swedish tax purposes to the same extent as any unsubordinated obligations of the Issuer.

“Tax Law Change” means:

- (a) any amendment to, clarification of, or change in, the laws or treaties (or any regulations thereunder) of Sweden, or any political subdivision or any authority thereof or therein having the power to tax, affecting taxation;
- (b) any governmental action; or
- (c) any amendment to, clarification of, or change in the application, 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 Sweden, irrespective of the manner in which such amendment, clarification, change, action, pronouncement, interpretation or decision is made known, which amendment, clarification or

change is effective or such governmental action, pronouncement, interpretation or decision is announced on or after the First Issue Date.

“**Total Nominal Amount**” means the total aggregate Nominal Amount of the Capital Securities outstanding at the relevant time.

“**Withholding Tax Event**” shall be deemed to occur if, as a result of any Tax Law Change, in making any payments on the Capital Securities, the Issuer has paid or will or would on the next Interest Payment Date be required to pay additional amounts on the Capital Securities and the Issuer cannot avoid the foregoing by taking reasonable measures available to it.

“**Written Procedure**” means the written or electronic procedure for decision making among the Holders in accordance with Clause 17.3 (*Written Procedure*).

1.2 Construction

- 1.2.1 Unless a contrary indication appears, any reference in these Terms and Conditions to:
- (a) “**assets**” includes present and future properties, revenues and rights of every description;
 - (b) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
 - (c) a “**regulation**” includes any law, regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
 - (d) a provision of regulation is a reference to that provision as amended or re-enacted; and
 - (e) a time of day is a reference to Stockholm time.
- 1.2.2 When ascertaining whether a limit or threshold specified in Swedish Kronor has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Swedish Kronor for the previous Business Day, as published by the Swedish Central Bank (Sw. *Riksbanken*) on its website (www.riksbank.se). If no such rate is available, the most recently published rate shall be used instead.
- 1.2.3 A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- 1.2.4 No delay or omission of the Agent or of any Holder to exercise any right or remedy under these Terms and Conditions shall impair or operate as a waiver of any such right or remedy.
- 1.2.5 The selling and distribution restrictions and the privacy statement contained in this document before the table of contents do not form part of these Terms and Conditions and may be updated without the consent of the Holders and the Agent (save for the privacy statement insofar it relates to the Agent).

2 THE AMOUNT OF THE CAPITAL SECURITIES

- 2.1 The aggregate amount of the Capital Securities will be an amount of up to SEK 500,000,000 which will be represented by Capital Securities, each of a nominal amount of SEK 2,000,000

(the “**Nominal Amount**”) or full multiples thereof. The total nominal amount of the Initial Capital Securities issued is SEK 1,000,000,000.

- 2.2 The ISIN for the Capital Securities is SE0019019456.
- 2.3 The Initial Capital Securities are issued on a fully paid basis at an issue price of one hundred (100.00) per cent. of the Nominal Amount.
- 2.4 The minimum permissible investment in connection with the Initial Capital Security Issue is SEK 2,000,000.
- 2.5 The Issuer may, at one or more occasions after the First Issue Date issue Subsequent Capital Securities under these Terms and Conditions (each such issue, a “**Subsequent Capital Security Issue**”), provided that the Total Nominal Amount of the Capital Securities under such Subsequent Capital Security Issue(s) and the Initial Capital Security Issue may not exceed SEK 1,000,000,000 unless consent is obtained from the Holders in accordance with paragraph (a) of Clause 17.4.2.
- 2.6 Subsequent Capital Securities shall be issued subject to these Terms and Conditions and, for the avoidance of doubt, the ISIN, the Interest Rate and the Nominal Amount applicable to the Capital Securities issued in the Initial Capital Security Issue shall also apply to Subsequent Capital Securities. The price of Subsequent Capital Securities may be set at the Nominal Amount, at a discount or at a higher price than the Nominal Amount.
- 2.7 The Capital Securities are denominated in SEK and each Capital Security is constituted by these Terms and Conditions.
- 2.8 By subscribing for Capital Securities, each initial Holder agrees that the Capital Securities shall benefit from and be subject to these Terms and Conditions and by acquiring Capital Securities each subsequent Holder confirms these Terms and Conditions.

3 STATUS OF THE CAPITAL SECURITIES

- 3.1 The Capital Securities, including the obligation to pay interest thereon, constitute direct, general, unconditional, unsecured and subordinated obligations of the Issuer. The rights and claims of the Holders in respect of the Capital Securities against the Issuer are subordinated as described under Clause 3.2.
- 3.2 In the event of:
 - (a) a voluntary or involuntary liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer (each an “**Issuer Winding-up**”), the Holders shall, in respect of their Capital Securities, have a claim for the principal amount of their Capital Securities and any accrued and unpaid interest (including any Deferred Interest) thereon and such claims will rank:
 - (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Securities;
 - (ii) in priority to all present and future claims in respect of:

- (A) the ordinary shares of the Issuer; and
 - (B) any other obligation of the Issuer expressed by its terms as at its original issue date to rank junior to the Capital Securities or any Parity Securities; and
- (iii) junior in right of payment to any present or future claims of:
 - (A) all unsubordinated obligations of the Issuer; and
 - (B) all Subordinated Indebtedness; or
- (b) a company re-construction (Sw. *företagsrekonstruktion*) of the Issuer under the Swedish Company Reorganisation Act (Sw. *lag (1996:764) om företagsrekonstruktion*), the Holders shall, in respect of their Capital Securities, have a claim for the principal amount of their Capital Securities and any accrued and unpaid interest (including any Deferred Interest) thereon and such claims will rank:
 - (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Securities; and
 - (ii) junior in right of payment to any present or future claims of:
 - (A) all unsubordinated obligations of the Issuer; and
 - (B) all Subordinated Indebtedness.

Claims in respect of the share capital of the Issuer are not subject to loss absorbing measures under a company re-construction of the Issuer.

- 3.3 Subject to applicable law, no Holder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Capital Securities and each Holder shall, by virtue of its holding of any Capital Security, be deemed to have waived all such rights of set-off, compensation or retention.

4 USE OF PROCEEDS

An amount equivalent to the Net Proceeds of the Initial Capital Security Issue shall be applied by the Issuer in accordance with the Issuer's Sustainability Bond Framework, including but not limited to repurchasing all or some of the capital securities issued by the Issuer with ISIN SE0012453900. An amount equivalent to the Net Proceeds of any Subsequent Capital Security Issue shall be applied by the Issuer in accordance with the Issuer's Sustainability Bond Framework.

5 CONDITIONS PRECEDENT

5.1 Conditions precedent in respect of the Initial Capital Securities

5.1.1 The Issuer shall provide to the Agent, as soon as possible but no later than 9.00 a.m. two (2) Business Days prior to the First Issue Date, the following, in form and substance satisfactory to the Agent (acting reasonably):

- (a) copies of the articles of association and certificate of registration of the Issuer;
- (b) a copy of a resolution from the board of directors of the Issuer:
 - (i) approving the issue of the Initial Capital Securities and resolving that it execute and perform these Terms and Conditions and the Agency Agreement; and
 - (ii) authorising a specified person or persons to execute these Terms and Conditions and the Agency Agreement on its behalf;
- (c) a copy of these Terms and Conditions and the Agency Agreement duly executed by the Issuer;
- (d) a copy of the Issuer's Sustainability Bond Framework and the second opinion relating to the Issuer's Sustainability Bond Framework; and
- (e) evidence that the Capital Securities has been or will be registered with the CSD.

5.1.2 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions in Clause 5.1.1 have been fulfilled (or amended or waived in accordance with Clause 18 (*Amendments and waivers*)). The First Issue Date shall not occur unless the Agent makes such confirmation to the Issuing Agent no later than 2.00 p.m. two (2) Business Days prior to the First Issue Date (or later, if the Issuing Agent so agrees).

5.1.3 Following receipt by the Issuing Agent of the confirmation in accordance with Clause 5.1.2, the Issuing Agent shall settle the issuance of the Initial Capital Securities and pay the Net Proceeds of the Initial Capital Securities to the Issuer on the First Issue Date.

5.2 Conditions precedent in respect of any Subsequent Capital Securities

5.2.1 The Issuer shall provide to the Agent, as soon as possible but no later than 9.00 a.m. two (2) Business Days prior to any Issue Date in respect of Subsequent Capital Securities, the following, in form and substance satisfactory to the Agent (acting reasonably):

- (a) copies of the articles of association and certificate of registration of the Issuer;
- (b) a copy of a resolution from the board of directors of the Issuer approving the issue of such Subsequent Capital Securities and resolving to execute and perform any documents necessary in connection therewith.

5.2.2 The Agent shall promptly confirm to the Issuing Agent when it is satisfied that the conditions set out in Clause 5.2.1 have been fulfilled (or amended or waived in accordance with Clause 18 (*Amendments and waivers*)). The relevant Issue Date shall not occur unless the Agent makes such confirmation to the Issuing Agent no later than 2.00 p.m. two (2) Business Days prior to the relevant Issue Date (or later, if the Issuing Agent so agrees).

- 5.2.3 Following receipt by the Issuing Agent of the confirmation in accordance with Clause 5.2.2, the Issuing Agent shall settle the issuance of any Subsequent Capital Securities and pay the Net Proceeds of such Subsequent Capital Securities to the Issuer on the relevant Issue Date.

5.3 No responsibility for documentation

The Agent may assume that the documentation and evidence delivered to it pursuant to this Clause 5 is accurate, legally valid, enforceable, correct, true and complete unless it has actual knowledge to the contrary and the Agent does not have to verify or assess the contents of any such documentation or evidence. The Agent does not have any obligation to review the documentation and evidence set out in this Clause 5 from a legal or commercial perspective of the Holders.

6 THE CAPITAL SECURITIES AND TRANSFERABILITY

- 6.1 Each Holder is bound by these Terms and Conditions without there being any further actions required to be taken or formalities to be complied with.
- 6.2 The Capital Securities are freely transferable. All transfers of Capital Securities are subject to these Terms and Conditions and these Terms and Conditions are automatically applicable in relation to all Capital Securities transferees upon completed transfer.
- 6.3 Upon a transfer of Capital Securities, any rights and obligations under these Terms and Conditions relating to such Capital Securities are automatically transferred to the transferee.

7 CAPITAL SECURITIES IN BOOK ENTRY FORM

- 7.1 The Capital Securities will be registered for the Holders on their respective Securities Accounts and no physical Capital Securities will be issued. Accordingly, the Capital Securities will be registered in accordance with the Financial Instruments Accounts Act. Registration requests relating to the Capital Securities shall be directed to an Account Operator. The Debt Register shall constitute conclusive evidence of the persons who are Holders and their holdings of Capital Securities at the relevant point of time.
- 7.2 Those who according to assignment, security, the provisions of the Swedish Children and Parents Code (Sw. *föräldrabalken* (1949:381)), conditions of will or deed of gift or otherwise have acquired a right to receive payments in respect of a Capital Security shall register their entitlements to receive payment in accordance with the Financial Instruments Accounts Act.
- 7.3 The Issuer (and the Agent when permitted under the CSD's applicable regulations) shall be entitled to obtain information from the Debt Register. At the request of the Agent, the Issuer shall promptly obtain such information and provide it to the Agent.
- 7.4 For the purpose of or in connection with carrying out any administrative procedure that arises out of these Terms and Conditions, the Issuing Agent shall be entitled to obtain information from the Debt Register.
- 7.5 The Issuer shall issue any necessary power of attorney to such persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information

directly from the Debt Register. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Holders.

- 7.6 The Issuer (and the Agent when permitted under the CSD's applicable regulations) may use the information referred to in Clause 7.3 only for the purposes of carrying out their duties and exercising their rights in accordance with these Terms and Conditions and shall not disclose such information to any Holder or third party unless necessary for such purposes.

8 RIGHT TO ACT ON BEHALF OF A HOLDER

- 8.1 If any Person other than a Holder (including the owner of a Capital Security, if such Person is not the Holder) wishes to exercise any rights under these Terms and Conditions, it must obtain a power of attorney or other authorisation from the (or, if applicable, a coherent chain of powers of attorney or authorisations), a certificate from the authorised nominee or other sufficient proof of authorisation for such Person.
- 8.2 A Holder may issue one or several powers of attorney or other authorisations to third parties to represent it in relation to some or all of the Capital Securities held by it. Any such representative may act independently under these Terms and Conditions in relation to the Capital Securities for which such representative is entitled to represent the Holder.
- 8.3 The Agent shall only have to examine the face of a power of attorney or other authorisation that has been provided to it pursuant to Clauses 8.1 and 8.2 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.
- 8.4 These Terms and Conditions shall not affect the relationship between a Holder who is the nominee (Sw. *förvaltare*) with respect to a Capital Security and the owner of such Capital Security, and it is the responsibility of such nominee to observe and comply with any restrictions that may apply to it in this capacity.

9 PAYMENTS IN RESPECT OF THE CAPITAL SECURITIES

- 9.1 Any payment or repayment under these Terms and Conditions shall be made to such Person who is registered as a Holder on the Record Date prior to the relevant payment date, or to such other Person who is registered with the CSD on such date as being entitled to receive the relevant payment, repayment or repurchase amount.
- 9.2 Provided that a Holder has registered an income account (Sw. *avkastningskonto*) for the relevant Securities Account on the applicable Record Date, the CSD shall procure that principal, interest and other payments under the Capital Securities are deposited to such income account on the relevant payment date. If an income account has not been registered on the Record Date for the payment, no payment will be effectuated by the CSD to such Holder. The outstanding amount will instead be held by the Issuer until the person that was registered as a Holder on the relevant Record Date has made a valid request for such amount. Should the CSD, due to a delay on behalf of the Issuer or some other obstacle, not be able to effectuate

payments as aforesaid, the Issuer shall procure that such amounts are paid as soon as possible after such obstacle has been removed.

- 9.3 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed.
- 9.4 If payment or repayment is made in accordance with this Clause 9, the Issuer shall be deemed to have fulfilled its obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount, unless the Issuer was aware of that the payment was being made to a Person not entitled to receive such amount.
- 9.5 The Issuer is not liable to gross-up any payments under these Terms and Conditions by virtue of any withholding tax, public levy or similar.

10 INTEREST

10.1 Interest accrual

Interest accrues during an Interest Period. The Initial Capital Securities carries Interest applied to the Nominal Amount at the applicable Interest Rate from, but excluding, the First Issue Date up to and including the relevant Redemption Date. Any Subsequent Capital Security will carry Interest at the Interest Rate from, but excluding, the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to and including the relevant Redemption Date.

10.2 Day count convention

Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis)

10.3 Interest Payment Dates

- 10.3.1 Subject to Clause 11 (*Optional interest deferral*) and the Business Day Convention, payment of interest in respect of the Capital Securities shall be made quarterly in arrears to the Holders on each Interest Payment Date for the preceding Interest Period.
- 10.3.2 The Interest Payment in respect of each Interest Period may be deferred in accordance with Clause 11 (*Optional interest deferral*).

10.4 Step-up after a Change of Control Event

Notwithstanding any other provision of this Clause 10, if the Issuer does not elect to redeem the Capital Securities in accordance with Clause 12.5 (*Voluntary redemption due to a Change of Control Event*) following the occurrence of a Change of Control Event, the then prevailing Interest Rate, and each subsequent Interest Rate otherwise determined in accordance with the provisions of this Clause 10, on the Capital Securities shall be increased by five (5.00) percentage points *per annum* with effect from (but excluding) the Change of Control Step-up Date.

10.5 Default interest

If the Issuer fails to pay any amount payable by it pursuant to Clause 11.3 (*Mandatory settlement of Deferred Interest*) or Clause 12 (*Redemption and repurchase of the Capital Securities*) (except for Clause 12.1 (*No maturity*), Clause 12.2 (*The Group Companies' purchase of Capital Securities*) and Clause 12.6 (*Cancellation of Capital Securities*)) on its due date, default interest shall accrue on the overdue amount from (but excluding) the due date up to (and including) the date of actual payment at a rate of two (2.00) per centage points *per annum*. Accrued default interest shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead.

11 OPTIONAL INTEREST DEFERRAL

11.1 Deferral of Interest Payments

- 11.1.1 The Issuer may, at any time and at its sole discretion, elect to defer any Interest Payment, in whole or in part, which is otherwise scheduled to be paid on an Interest Payment Date (except on any Interest Payment Date on which the Capital Securities are to be redeemed) by giving notice of such election to the Holders in accordance with Clause 25.1 (*Notices*), the Issuing Agent and the Agent not less than seven (7) Business Days prior to the relevant Interest Payment Date. Notwithstanding the foregoing, failure to give such notice shall not prejudice the right of the Issuer to defer any Interest Payment as described above.
- 11.1.2 If the Issuer makes a partial Interest Payment, such Interest Payment shall be applied *pro rata* to each Capital Security.
- 11.1.3 Any Interest Payment so deferred pursuant to this Clause 11 shall, from (but excluding) the Interest Payment Date on which such Interest Payment would (but for its deferral) have been payable to (and including) the date on which it is paid in full, itself bear interest at the Interest Rate prevailing from time to time (which interest shall compound on each Interest Payment Date) and, for so long as the same remains unpaid, such deferred interest (together with the interest accrued thereon) shall constitute “**Deferred Interest**”.
- 11.1.4 The deferral of an Interest Payment in accordance with this Clause 11 shall not constitute a default pursuant to Clause 16 (*Default and Enforcement*) by the Issuer under the Capital Securities or for any other purpose.

11.2 Optional settlement of Deferred Interest

Deferred Interest may be paid, in whole or in part, at any time at the option of the Issuer following delivery of a notice to such effect given by the Issuer to the Holders in accordance with Clause 25.1 (*Notices*), the Issuing Agent and the Agent not less than seven (7) Business Days prior to the date (to be specified in such notice) on which the Issuer will pay such Deferred Interest. Any such notice shall state the date fixed for the payment and the relevant Record Date and is irrevocable.

11.3 Mandatory settlement of Deferred Interest

11.3.1 The Issuer shall pay any Deferred Interest, in whole but not in part, on the first to occur of the following dates:

- (a) the tenth (10th) Business Day following the date on which a Deferred Interest Payment Event occurs;
- (b) any Interest Payment Date in respect of which the Issuer does not elect to defer all of the interest accrued in respect of the relevant Interest Period; and
- (c) the date on which the Capital Securities are redeemed or repaid in accordance with Clause 12 (*Redemption and repurchase of the Capital Securities*) or Clause 16 (*Default and Enforcement*).

11.3.2 Notice of any Deferred Interest Payment Event shall be given by the Issuer to the Holders in accordance with Clause 25.1 (*Notices*), the Issuing Agent and the Agent within three (3) Business Days of such event.

12 REDEMPTION AND REPURCHASE OF THE CAPITAL SECURITIES

12.1 No maturity

The Capital Securities are perpetual and have no specified maturity date. The Issuer may only redeem the Capital Securities in the circumstances described in this Clause 12 (*Redemption and repurchase of the Capital Securities*). The Capital Securities are not redeemable at the option of the Holders at any time.

12.2 The Group Companies' purchase of Capital Securities

The Issuer or any other Group Company may, subject to applicable regulations, at any time and at any price purchase Capital Securities in the market or in any other way. Capital Securities held by a Group Company may at such Group Company's discretion be retained, or sold, but not cancelled, except in connection with (i) a full redemption of the Capital Securities or (ii) a Substantial Repurchase Event.

12.3 Voluntary redemption by the Issuer (call option)

The Issuer may redeem all, but not only some, of the outstanding Capital Securities on the First Call Date or on any Interest Payment Date falling thereafter at a price per Capital Security equal to one hundred (100.00) per cent. of the Nominal Amount together with any Deferred Interest and any interest accrued from (but excluding) the immediately preceding Interest Payment Date to (and including) the Redemption Date.

12.4 Voluntary redemption due to a Special Event

Upon a Special Event occurring, the Issuer may redeem all, but not some only, of the outstanding Capital Securities at any time at a price per Capital Security equal to:

- (a) if the Redemption Date falls prior to the First Call Date, one hundred and one (101.00) per cent. of the Nominal Amount; and

- (b) if the Redemption Date falls on or after the First Call Date, one hundred (100.00) per cent. of the Nominal Amount,

in each case together with any Deferred Interest and any interest accrued from (but excluding) the immediately preceding Interest Payment Date to (and including) the Redemption Date.

12.5 Voluntary redemption due to a Change of Control Event

- 12.5.1 Upon a Change of Control Event the Issuer may, no later than the Change of Control Step-up Date, redeem all, but not some only, of its Capital Securities at an amount equal to:

- (a) if the Redemption Date falls prior to the First Call Date, one hundred and one (101.00) per cent. of the Nominal Amount; and
- (b) if the Redemption Date falls on or after the First Call Date, one hundred (100.00) per cent. of the Nominal Amount,

in each case together with any Deferred Interest and any interest accrued from (but excluding) the immediately preceding Interest Payment Date to (and including) the Redemption Date.

- 12.5.2 Immediately upon the Issuer becoming aware that a Change of Control Event has occurred, the Issuer shall give notice to the Agent and the Holders in accordance with Clause 25.1 (*Notices*), specifying the nature of the Change of Control Event.

12.6 Notice of redemption

Redemption in accordance with Clauses 12.3 (*Voluntary redemption by the Issuer (call option)*), 12.4 (*Voluntary redemption due to a Special Event*) or 12.5 (*Voluntary redemption due to a Change of Control Event*) shall be made by the Issuer giving not less than fifteen (15) and not more than thirty (30) Business Days' prior notice, prior to the proposed Redemption Date, to the Holders, the Issuing Agent and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date and is irrevocable but may in the case of a redemption in accordance with Clause 12.3 (*Voluntary redemption by the Issuer (call option)*), at the Issuer's discretion, contain one or more conditions precedent that shall be satisfied prior to the Record Date. Upon fulfilment of the conditions precedent (if any) and upon expiry of such notice, the Issuer shall redeem the Capital Securities in full at the applicable amounts on the specified Redemption Date.

12.7 Cancellation of Capital Securities

All Capital Securities which are redeemed pursuant to this Clause 12 and all Capital Securities purchased and elected to be cancelled pursuant to Clause 12.2 (*The Group Companies' purchase of Capital Securities*) will be cancelled and may not be reissued or resold. The Issuer shall promptly inform the Holders in accordance with Clause 25.1 (*Notices*), the Agent and the Issuing Agent of any such cancellation and for so long as the Capital Securities are admitted to trading on Nasdaq Stockholm and the rules of such exchange so require, the Issuer shall promptly inform Nasdaq Stockholm (or any other relevant Regulated Market on which the Capital Securities are admitted to trading) of the cancellation of any Capital Securities under this Clause 12.6.

13 PRECONDITIONS TO SPECIAL EVENT REDEMPTION OR CHANGE OF CONTROL REDEMPTION

- 13.1 Prior to the publication of any notice of redemption pursuant to Clause 12 (*Redemption and repurchase of the Capital Securities*) (other than redemption pursuant to Clause 12.3 (*Voluntary redemption by the Issuer (call option)*)), the Issuer shall deliver to the Agent a certificate signed by two authorised signatories of the Issuer stating:
- (a) that the relevant requirement or circumstance giving rise to the right to redeem the Capital Securities is satisfied; and
 - (b) in the case of a Withholding Tax Event, that the Issuer is unable to avoid paying additional amounts by taking measures reasonably available to it.
- 13.2 In addition, in the case of a Special Event (other than a Substantial Repurchase Event), the Issuer shall deliver to the Agent and the Issuing Agent an opinion of independent legal, accounting or other tax advisers to the effect that the relevant requirement or circumstance giving rise to the right to redeem is satisfied (save, in the case of a Withholding Tax Event, as to whether reasonable measures to avoid paying additional amounts are available to the Issuer). Such certificate and, if applicable, opinion, shall be conclusive and binding on the Holders and the Agent and the Issuing Agent shall be entitled to accept such opinion without any further inquiry as sufficient evidence of the satisfaction of the criteria set out in this paragraph.
- 13.3 Any redemption of the Capital Securities in accordance with Clause 12 (*Redemption and repurchase of the Capital Securities*) shall be conditional on all Deferred Interest being paid in full in accordance with the provisions of Clause 11.3 (*Mandatory settlement of Deferred Interest*) on or prior to the date of such redemption.

14 ADMISSION TO TRADING

The Issuer has the intention and shall use its best efforts (without assuming any legal or contractual obligation) to ensure that:

- (a) that the Initial Capital Securities are admitted to trading on the sustainable bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market within thirty (30) days after the First Issue Date;
- (b) that any Subsequent Capital Securities are admitted to trading on the sustainable bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market within thirty (30) days following the relevant Issue Date; and
- (c) that the Capital Securities, once admitted to trading on the relevant Regulated Market, continue being listed thereon (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Capital Securities in close connection to the redemption of the Capital Securities).

15 SUSTAINABILITY BOND FRAMEWORK

The Issuer shall (without assuming any legal or contractual obligation) maintain a Sustainability Bond Framework, which shall at all times be published on the Issuer's webpage.

16 DEFAULT AND ENFORCEMENT

16.1 Proceedings

16.1.1 Without prejudice to the Issuer's right to defer the payment of interest under Clause 11 (*Optional interest deferral*), if a default is made by the Issuer for a period of thirty (30) days or more in relation to the payment of any interest, principal or premium in respect of the Capital Securities which is due and payable, then the Issuer shall be deemed to be in default under the Capital Securities and the Agent (acting on instructions of the Holders in accordance with these Terms and Conditions) or (subject to Clause 23.2) any Holder may institute proceedings for an Issuer Winding-up provided that such default is still continuing.

16.1.2 In the event of an Issuer Winding-up, a Holder may, provided such Holder does not contravene a previously adopted resolution (if any), either independently or through the Agent prove and/or claim in such Issuer Winding-up in respect of the Capital Securities, such claim being for such amount, and being subordinated in such manner, as is provided under Clause 3.2.

16.2 Enforcement

The Agent (acting on the instructions of the Holders in accordance with these Terms and Conditions) may institute such proceedings against the Issuer as it may think fit to enforce any term or condition binding on the Issuer under the Capital Securities but in no event shall the Issuer, 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.

16.3 Extent of Holders' Remedy

No remedy against the Issuer, other than as referred to in this Clause 15, shall be available to the Agent and the Holders, whether for the recovery of amounts owing in respect of the Capital Securities or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Capital Securities.

17 DECISIONS BY HOLDERS

17.1 Request for a decision

17.1.1 A request by the Agent for a decision by the Holders on a matter relating to these Terms and Conditions shall (at the option of the Agent) be dealt with at a Holders' Meeting or by way of a Written Procedure.

17.1.2 Any request from the Issuer or a Holder (or Holders) representing at least ten (10.00) per cent. of the Adjusted Nominal Amount (such request shall, if made by several Holders, be made by them jointly) for a decision by the Holders on a matter relating to these Terms and Conditions shall be directed to the Agent and dealt with at a Holders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is

dealt with at a Holders' Meeting than by way of a Written Procedure, it shall be dealt with at a Holders' Meeting.

- 17.1.3 The Agent may refrain from convening a Holders' Meeting or instigating a Written Procedure if:
- (a) the suggested decision must be approved by any Person in addition to the Holders and such Person has informed the Agent that an approval will not be given; or
 - (b) the suggested decision is not in accordance with applicable regulations.
- 17.1.4 The Agent shall not be responsible for the content of a notice for a Holders' Meeting or a communication regarding a Written Procedure unless and to the extent it contains information provided by the Agent.
- 17.1.5 Should the Agent not convene a Holders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause 17.1.3 being applicable, the Person requesting a decision by the Holders in accordance with Clause 17.1.2 may convene such Holders' Meeting or instigate such Written Procedure, as the case may be, itself. If the requesting Person is a Holder, the Issuer or the Issuing Agent shall upon request from such Holder provide the Holder with necessary information from the Debt Register in order to convene and hold the Holders' Meeting or instigate and carry out the Written Procedure, as the case may be. If no Person has been appointed by the Agent to open the Holders' Meeting, the meeting shall be opened by a Person appointed by the requesting Person.
- 17.1.6 Should the Issuer want to replace the Agent, it may convene a Holders' Meeting in accordance with Clause 17.2.1 or instigate a Written Procedure by sending communication in accordance with Clause 17.3.1. After a request from the Holders pursuant to Clause 20.4.3, the Issuer shall no later than five (5) Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Holders' Meeting in accordance with Clause 17.2.1. The Issuer shall inform the Agent before a notice for a Holders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and supply to the Agent a copy of the dispatched notice or communication.
- 17.1.7 Should the Issuer or any Holder(s) convene a Holders' Meeting or instigate a Written Procedure pursuant to Clause 17.1.5 or 17.1.6, then the Agent shall no later than five (5) Business Days prior to dispatch of such notice or communication be provided with a draft thereof. The Agent may further append information from it together with the notice or communication, provided that the Agent supplies such information to the Issuer or the Holder(s), as the case may be, no later than one (1) Business Day prior to the dispatch of such notice or communication.

17.2 Holders' Meeting

- 17.2.1 The Agent shall convene a Holders' Meeting no later than five (5) Business Days after receipt of a complete notice from the Issuer or the Holder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a notice to each such Person who is registered as a Holder on the Business Day prior to the date on which the notice is sent. If the

Holders' Meeting has been requested by the Holder(s), the Agent shall send a copy of the notice to the Issuer.

17.2.2 The notice pursuant to Clause 17.2.1 shall include:

- (a) the time for the meeting;
- (b) the place for the meeting;
- (c) a specification of the Record Date on which a Person must be registered as a Holder in order to be entitled to exercise voting rights;
- (d) agenda for the meeting (including each request for a decision by the Holders);
- (e) a form of power of attorney;
- (f) any applicable conditions precedent and conditions subsequent;
- (g) the reasons for, and contents of, each proposal;
- (h) if the proposal concerns an amendment to these Terms and Conditions, the details of such proposed amendment;
- (i) if a notification by the Holders is required in order to attend the Holders' Meeting, information regarding such requirement; and
- (j) information on where additional information (if any) will be published.

Only matters that have been included in the notice may be resolved upon at the Holders' Meeting.

17.2.3 The Holders' Meeting shall be held no earlier than ten (10) Business Days and no later than twenty (20) Business Days from the notice.

17.2.4 At a Holders' Meeting, the Issuer, the Holders (or the Holders' representatives/proxies) and the Agent may attend along with each of their representatives, counsels and assistants. Further, the directors of the board, the managing director and other officials of the Issuer and the Issuer's auditors may attend the Holders' Meeting. The Holders' Meeting may decide that further individuals may attend. If a representative/proxy shall attend the Holders' Meeting instead of the Holder, the representative/proxy shall present a duly executed proxy or other document establishing its authority to represent the Holder.

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

17.3 Written Procedure

17.3.1 The Agent shall instigate a Written Procedure by sending a notice thereof to each Holder no later than five (5) Business Days after receipt of a complete notice from the Issuer or the Holder(s) (or such later date as may be necessary for technical or administrative reasons). If

the Written Procedure has been requested by the Holder(s), the Agent shall send a copy of the communication to the Issuer.

17.3.2 A communication pursuant to Clause 17.3.1 shall include:

- (a) each request for a decision by the Holders;
- (b) a description of the reasons for, and the contents of, each request and if a request concerns an amendment to these Terms and Conditions, such proposed amendment must be set out in detail;
- (c) a specification of the Business Day on which a Person must be registered as a Holder in order to be entitled to exercise voting rights (such Business Day not to fall earlier than the effective date of the communication pursuant to Clause 17.3.1);
- (d) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney;
- (e) the stipulated time period within which the Holder must reply to the request (such time period to last at least ten (10) Business Days but not more than twenty (20) Business Days from the communication pursuant to Clause 17.3.1);
- (f) any applicable conditions precedent and conditions subsequent; and
- (g) if the voting shall be made electronically, instructions for such voting.

17.3.3 When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 17.4.2 and 17.4.3 have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 17.4.2 or 17.4.3, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

17.3.4 The Agent may, during the Written Procedure, provide information to the Issuer by way of updates whether or not quorum requirements have been met and about the eligible votes received by the Agent, including the portion consenting or not consenting to the proposal(s) or refraining from voting (as applicable).

17.4 Majority, quorum and other provisions

17.4.1 Only a Person who is, or who has been provided with a power of attorney or other proof of authorisation pursuant to Clause 8 (*Right to act on behalf of a Holder*) from a Person who is, registered as a Holder:

- (a) on the Record Date specified in the notice pursuant to Clause 17.2.2, in respect of a Holders' Meeting; or
- (b) on the Business Day specified in the communication pursuant to Clause 17.3.2, in respect of a Written Procedure,

may exercise voting rights as a Holder at such Holders' Meeting or in such Written Procedure, provided that the relevant Capital Securities are included in the definition of Adjusted Nominal Amount.

- 17.4.2 The following matters shall require consent of Holders representing at least two thirds (2/3) of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3.2:
- (a) the issue of any Subsequent Capital Securities, if the Total Nominal Amount of the Capital Securities exceeds, or if such would cause the Total Nominal Amount of the Capital Securities to at any time exceed, SEK 1,000,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Capital Securities are issued);
 - (b) a change to the currency, denomination, status or transferability of the Capital Securities;
 - (c) a change to the Nominal Amount or the Interest Rate (including, for the avoidance of doubt, changes to the Margin or Base Rate other than as a result of an application of Clause 19 (*Replacement of Base Rate*));
 - (d) a change of Issuer;
 - (e) an amendment of the perpetual nature of the Capital Securities;
 - (f) any delay of the due date for payment of any interest on the Capital Securities other than as permitted pursuant to Clause 11 (*Optional interest deferral*);
 - (g) a mandatory exchange of Capital Securities for other securities;
 - (h) early redemption of the Capital Securities, other than as otherwise permitted or required by these Terms and Conditions;
 - (i) amend the provisions in this Clause 17.4.2 or in Clause 17.4.3; and
 - (j) a reduction of the premium payable upon the redemption or repurchase of Capital Securities pursuant to Clause 12 (*Redemption and repurchase of the Capital Securities*).
- 17.4.3 Any matter not covered by Clause 17.4.2, including for the avoidance of doubt the initiation of an Issuer Winding-up, shall require the consent of Holders representing more than fifty (50.00) per cent. of the Adjusted Nominal Amount for which Holders are voting at a Holders' Meeting or for which Holders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17.3.2. This includes, but is not limited to, any amendment to or waiver of the terms of these Terms and Conditions that does not require a higher majority (other than an amendment or waiver permitted pursuant to paragraphs (a), (c), (d) or (e) of Clause 18.1 or an enforcement of the Capital Securities pursuant to Clause 16.2 (*Enforcement*)).
- 17.4.4 Quorum at a Holders' Meeting or in respect of a Written Procedure only exists if a Holder (or Holders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 17.4.2 and otherwise twenty (20.00) per cent of the Adjusted Nominal Amount:

- (a) if at a Holders' Meeting, attend the meeting in person or by other means prescribed by the Agent pursuant to Clause 17.2.5 (or appear through duly authorised representatives); or
 - (b) if in respect of a Written Procedure, reply to the request.
- 17.4.5 If a quorum does not exist at a Holders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Holders' Meeting (in accordance with Clause 17.2.1) or initiate a second Written Procedure (in accordance with Clause 17.3.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Holders' consent. The quorum requirement in Clause 17.4.4 shall not apply to such second Holders' Meeting or Written Procedure.
- 17.4.6 Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under these Terms and Conditions shall be subject to the Issuer's or the Agent's consent, as appropriate.
- 17.4.7 A Holder holding more than one Capital Security need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- 17.4.8 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any owner of Capital Securities (irrespective of whether such person is a Holder) for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Holders that vote in respect of the proposal at the relevant Holders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable (such time period to be not less than ten (10) Business Days).
- 17.4.9 A matter decided at a duly convened and held Holders' Meeting or by way of Written Procedure is binding on all Holders, irrespective of them being present or represented at the Holders' Meeting or responding in the Written Procedure. The Holders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Holders.
- 17.4.10 All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Holders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- 17.4.11 If a decision shall be taken by the Holders on a matter relating to these Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Capital Securities owned by Group Companies or (to the knowledge of the Issuer) their Affiliates, irrespective of whether such Person is directly registered as owner of such Capital Securities. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Capital Security is owned by a Group Company or an Affiliate of a Group Company.
- 17.4.12 Information about decisions taken at a Holders' Meeting or by way of a Written Procedure shall promptly be published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from

the relevant Holders' Meeting or Written Procedure shall at the request of a Holders be sent to it by the Issuer or the Agent, as applicable.

18 AMENDMENTS AND WAIVERS

18.1 The Issuer and the Agent (acting on behalf of the Holders) may agree in writing to amend these Terms and Conditions or waive any provision in these Terms and Conditions, provided that the Agent is satisfied that such amendment or waiver:

- (a) is not detrimental to the interest of the Holders as a group;
- (b) is made solely for the purpose of rectifying obvious errors and mistakes;
- (c) is required by applicable regulation, a court ruling or a decision by a relevant authority;
- (d) is necessary for the purpose of having the Capital Securities admitted to trading on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable), provided that such amendment or waiver does not materially adversely affect the rights of the Holders;
- (e) is made pursuant to Clause 19 (*Replacement of Base Rate*); or
- (f) has been duly approved by the Holders in accordance with Clause 17 (*Decisions by Holders*) and it has received any conditions precedent specified for the effectiveness of the approval by the Holders.

18.2 The Agent shall promptly notify the Holders of any amendments or waivers made in accordance with Clause 18.1, setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to these Terms and Conditions are available on the websites of the Agent and the Issuer. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.

18.3 An amendment or waiver to these Terms and Conditions shall take effect on the date determined by the Holders' Meeting, in the Written Procedure or by the Agent, as the case may be.

19 REPLACEMENT OF BASE RATE

19.1 General

19.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Holders in accordance with the provisions of this Clause 19 shall at all times be made by such Independent Adviser, the Issuer or the Holders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.

19.1.2 If a Base Rate Event has occurred, this Clause 19 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of STIBOR.

19.2 Definitions

19.2.1 In this Clause 19:

“Adjustment Spread” means a spread (which may be positive, negative or zero) or a formula or methodology for calculating a spread, or a combination thereof to be applied to a Successor Base Rate and that is:

- (a) formally recommended by any Relevant Nominating Body in relation to the replacement of the Base Rate; or
- (b) if (a) is not applicable, the adjustment spread that the Independent Adviser determines is reasonable to use in order to eliminate, to the extent possible, any transfer of economic value from one party to another as a result of a replacement of the Base Rate and is customarily applied in comparable debt capital market transactions.

“Base Rate Amendments” has the meaning set forth in Clause 19.3.4.

“Base Rate Event” means one or several of the following circumstances:

- (a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;
- (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;
- (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;
- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Holders using the applicable Base Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period);
- (e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework (Sw. *krishanteringsregelverket*) containing the information referred to in (b) above; or
- (f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in (b) to (e) above will occur within six (6) months.

“Base Rate Event Announcement” means a public statement or published information as set out in paragraph (a) to (e) of the definition of Base Rate Event that any event or circumstance specified therein will occur.

“Independent Adviser” means an independent financial institution or adviser of repute in the debt capital markets where the Base Rate is commonly used.

“Relevant Nominating Body” means, subject to applicable law, firstly any relevant supervisory authority, secondly any applicable central bank, or any working group or committee of any of them, or thirdly the Financial Stability Council (Sw. *Finansiella stabilitetsrådet*) or any part thereof.

“Successor Base Rate” means:

- (a) a screen or benchmark rate, including the methodology for calculating term structure and calculation methods in respect of debt instruments with similar interest rate terms as the Capital Securities, which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body; or
- (b) if there is no such rate as described in paragraph (a), such other rate as the Independent Adviser determines is most comparable to the Base Rate.

19.2.2 For the avoidance of doubt, in the event that a Successor Base Rate ceases to exist, this definition shall apply mutatis mutandis to such new Successor Base Rate.

19.3 Determination of Base Rate, Adjustment Spread and Base Rate Amendments

19.3.1 Without prejudice to Clause 19.3.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer’s expense appoint an Independent Adviser to initiate the procedure to determine a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to Clause 19.3.2.

19.3.2 If a Base Rate Event has occurred, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer’s expense, appoint an Independent Adviser to initiate the procedure to determine, as soon as commercially reasonable, a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating, and finally deciding the applicable Base Rate.

19.3.3 If the Issuer fails to appoint an Independent Adviser in accordance with Clause 19.3.2, the Holders shall, if so decided at a Holders’ Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser (at the Issuer’s expense) for the purposes set forth in Clause 19.3.2. If the Issuer fails to carry out any other actions set forth in Clause 19.3 to 19.6, the Agent (acting on the instructions of the Holders) may to the extent necessary effectuate any Base Rate Amendments without the Issuer’s cooperation.

19.3.4 The Independent Adviser shall also initiate the procedure to determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or to reflect the adoption of such Successor Base Rate in a manner substantially consistent with market practice (**“Base Rate Amendments”**).

- 19.3.5 Provided that a Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments have been finally decided no later than prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, always subject to any technical limitations of the CSD and any calculations methods applicable to such Successor Base Rate.

19.4 Interim measures

- 19.4.1 If a Base Rate Event set out in any of the paragraphs (a) to (e) of the Base Rate Event definition has occurred but no Successor Base Rate and Adjustment Spread have been finally decided prior to the relevant Quotation Day in relation to the next succeeding Interest Period or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of the CSD, cannot be applied in relation to the relevant Quotation Day, the Interest Rate applicable to the next succeeding Interest Period shall be:
- (a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or
 - (b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.
- 19.4.2 For the avoidance of doubt, Clause 19.4.1 shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 19. This will however not limit the application of Clause 19.4.1 for any subsequent Interest Periods, should all relevant actions provided in this Clause 19 have been taken, but without success.

19.5 Notices etc.

Prior to the Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments become effective the Issuer shall promptly, following the final decision by the Independent Adviser of any Successor Base Rate, Adjustment Spread and any Base Rate Amendments, give notice thereof to the Agent, the Issuing Agent and the Holders in accordance with Clause 25.1 (*Notices*) and the CSD. The notice shall also include information about the effective date of the amendments. If the Capital Securities are admitted to trading on a stock exchange, the Issuer shall also give notice of the amendments to the relevant stock exchange.

19.6 Variation upon replacement of Base Rate

- 19.6.1 No later than giving the Agent notice pursuant to Clause 19.5, the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and the CEO, CFO or any other duly authorised signatory of the Issuer (subject to Clause 19.3.3) confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined and decided in accordance with the provisions of this Clause 19. The Successor Base Rate the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such

certificate will, in the absence of manifest error or bad faith in any decision, be binding on the Issuer, the Agent, the Issuing Agent and the Holders.

- 19.6.2 Subject to receipt by the Agent of the certificate referred to in Clause 19.6.1, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Holders, without undue delay effect such amendments to these Terms and Conditions as may be required by the Issuer in order to give effect to this Clause 19.
- 19.6.3 The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this Clause 19. Neither the Agent nor the Issuing Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in these Terms and Conditions.

19.7 Limitation of liability for the Independent Adviser

Any Independent Adviser appointed pursuant to Clause 19.3 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with these Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

20 THE AGENT

20.1 Appointment of the Agent

- 20.1.1 By subscribing for Capital Securities, each initial Holder appoints the Agent to act as its agent in all matters relating to the Capital Securities and these Terms and Conditions, and authorises the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Capital Securities held by such Holder, including the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*), or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Issuer. By acquiring Capital Securities, each subsequent Holder confirms such appointment and authorisation for the Agent to act on its behalf.
- 20.1.2 Each Holder shall immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), as the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms and Conditions. The Agent is under no obligation to represent a Holder which does not comply with such request.
- 20.1.3 The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under these Terms and Conditions.

- 20.1.4 The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in these Terms and Conditions and the Agent's obligations as agent under these Terms and Conditions are conditioned upon the due payment of such fees and indemnifications.
- 20.1.5 The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

20.2 Duties of the Agent

- 20.2.1 The Agent shall represent the Holders in accordance with these Terms and Conditions.
- 20.2.2 When acting pursuant to these Terms and Conditions, the Agent is always acting with binding effect on behalf of the Holders. The Agent is never acting as an advisor to the Holders or the Issuer. Any advice or opinion from the Agent does not bind the Holders or the Issuer.
- 20.2.3 When acting pursuant to these Terms and Conditions, the Agent shall carry out its duties with reasonable care and skill in a proficient and professional manner.
- 20.2.4 The Agent shall treat all Holders equally and, when acting pursuant to these Terms and Conditions, act with regard only to the interests of the Holders as a group and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in these Terms and Conditions.
- 20.2.5 The Agent is always entitled to delegate its duties to other professional parties and to engage external experts when carrying out its duties as agent, without having to first obtain any consent from the Holders or the Issuer. The Agent shall however remain liable for any actions of such parties if such parties are performing duties of the Agent under these Terms and Conditions.
- 20.2.6 The Issuer shall on demand by the Agent pay all costs for external experts engaged by it:
- (a) in connection with any proceedings or enforcement in accordance with Clauses 16.1 (*Proceedings*) and 16.2 (*Enforcement*), respectively;
 - (b) for the purpose of investigating or considering:
 - (i) an event or circumstance which the Agent reasonably believes is or may lead to any proceedings or enforcement in accordance with Clauses 16.1 (*Proceedings*) and 16.2 (*Enforcement*), respectively; or
 - (ii) a matter relating to the Issuer or these Terms and Conditions which the Agent reasonably believes may be detrimental to the interests of the Holders under these Terms and Conditions;
 - (c) in connection with any Holders' Meeting or Written Procedure; or
 - (d) in connection with any amendment (whether contemplated by these Terms and Conditions or not) or waiver under these Terms and Conditions.

20.2.7 The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under these Terms and Conditions.

20.2.8 Other than as specifically set out in these Terms and Conditions, the Agent shall not be obliged to monitor:

- (a) the performance, default or any breach by the Issuer or any other party of its obligations under these Terms and Conditions; or
- (b) whether any other event specified in these Terms and Conditions has occurred.

Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

20.2.9 The Agent shall ensure that it receives evidence satisfactory to it that these Terms and Conditions are duly authorised and executed (as applicable). The Issuer shall promptly upon request provide the Agent with such documents and evidence as the Agent reasonably considers necessary for the purpose of being able to comply with this Clause 20.2.9. Other than as set out above, the Agent shall neither be liable to the Issuer or the Holders for damage due to any documents and information delivered to the Agent not being accurate, correct and complete, unless it has actual knowledge to the contrary, nor be liable for the content, validity, perfection or enforceability of such documents.

20.2.10 Notwithstanding any other provision of these Terms and Conditions to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any regulation.

20.2.11 If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including reasonable fees to the Agent) in complying with instructions of the Holders, or taking any action at its own initiative, will not be covered by the Issuer, the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

20.2.12 The Agent shall give a notice to the Holders before it ceases to perform its obligations under these Terms and Conditions by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under these Terms and Conditions or the Agency Agreement or if it refrains from acting for any reason pursuant to Clause 20.2.11.

20.2.13 Upon the reasonable request by a Holder, the Agent shall promptly distribute to the Holders any information from such Holder which relates to the Capital Securities (at the discretion of the Agent). The Agent may require that the requesting Holder reimburses any costs or expenses incurred, or to be incurred, by the Agent in doing so (including a reasonable fee for the work of the Agent) before any such information is distributed. The Agent shall upon request by a Holder disclose the identity of any other Holder who has consented to the Agent in doing so.

- 20.2.14 Subject to the restrictions of a non-disclosure agreement entered into by the Agent in connection with these Terms and Conditions, the Agent shall be entitled to disclose to the Holders any document, information, event or circumstance directly or indirectly relating to the Issuer or the Capital Securities. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Holders delay disclosure or refrain from disclosing certain information.

20.3 Limited liability for the Agent

- 20.3.1 The Agent will not be liable to the Holders for damage or loss caused by any action taken or omitted by it under or in connection with these Terms and Conditions, unless directly caused by its negligence or wilful misconduct. The Agent shall never be responsible for indirect or consequential loss.
- 20.3.2 The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts provided to the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Holders to delay the action in order to first obtain instructions from the Holders.
- 20.3.3 The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to these Terms and Conditions to be paid by the Agent to the Holders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- 20.3.4 The Agent shall have no liability to the Issuer or the Holders for damage caused by the Agent acting in accordance with instructions of the Holders given in accordance with these Terms and Conditions.
- 20.3.5 Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, these Terms and Conditions shall not be subject to set-off against the obligations of the Issuer to the Holders under these Terms and Conditions.

20.4 Replacement of the Agent

- 20.4.1 Subject to Clause 20.4.6, the Agent may resign by giving notice to the Issuer and the Holders, in which case the Holders shall appoint a successor Agent at a Holders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.
- 20.4.2 Subject to Clause 20.4.6, if the Agent is insolvent or becomes subject to bankruptcy proceedings, the Agent shall be deemed to resign as Agent and the Issuer shall within ten (10) Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.
- 20.4.3 A Holder (or Holders) representing at least ten (10) per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice shall, if given by several Holders, be given by them jointly), require that a Holders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Holders' Meeting convened by it or by way of

Written Procedure initiated by it, propose to the Holders that the Agent be dismissed and a new Agent appointed.

20.4.4 If the Holders have not appointed a successor Agent within ninety (90) days after the earlier of:

- (a) the notice of resignation was given;
- (b) the resignation otherwise took place; or
- (c) the Agent was dismissed through a decision by the Holders,

the Issuer shall within thirty (30) days thereafter appoint a successor Agent which shall be an independent financial institution or other reputable company with the necessary resources to act as agent in respect of market loans.

20.4.5 The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under these Terms and Conditions.

20.4.6 The Agent's resignation or dismissal shall only take effect upon the earlier of:

- (a) the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent; and
- (b) the period pursuant to Clause 20.4.4 having lapsed.

20.4.7 Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of these Terms and Conditions but shall remain entitled to the benefit of these Terms and Conditions and remain liable under these Terms and Conditions in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Holders shall have the same rights and obligations amongst themselves under these Terms and Conditions as they would have had if such successor had been the original Agent.

20.4.8 In the event that there is a change of the Agent in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under these Terms and Conditions and the Agency Agreement. Unless the Issuer and the new Agent agree otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

21 THE ISSUING AGENT

21.1 The Issuer shall when necessary appoint an Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Capital Securities. The Issuing Agent shall be a commercial bank or securities institution approved by the CSD.

21.2 The Issuer shall ensure that the Issuing Agent enters into agreements with the CSD, and comply with such agreement and the CSD Regulations applicable to the Issuing Agent, as may

be necessary in order for the Issuing Agent to carry out its duties relating to the Capital Securities.

- 21.3 The Issuing Agent will not be liable to the Holders for damage or loss caused by any action taken or omitted by it under or in connection with these Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall never be responsible for indirect or consequential loss.

22 THE CSD

- 22.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the CSD.
- 22.2 The CSD may be dismissed by the Issuer, provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD is dismissed and provided also that the replacement does not have a negative effect on any Holder or the admission to trading of the Capital Securities on the sustainable bond list of Nasdaq Stockholm (or any other Regulated Market, as applicable). The replacing CSD must be authorised to professionally conduct clearing operations pursuant to the Central Securities Depository Regulation (Regulation (EU) No 909/2014) and be authorised as a central securities depository in accordance with the Financial Instruments Accounts Act.

23 NO DIRECT ACTIONS BY HOLDERS

- 23.1 A Holder may not take any action or take any legal steps whatsoever against the Issuer or a Subsidiary to enforce or recover any amount due or owing to it pursuant to these Terms and Conditions, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Sw. *företagsrekonstruktion*) or bankruptcy (Sw. *konkurs*) (or its equivalent in any other jurisdiction) of the Group Companies in relation to any of the liabilities of the Issuer or a Subsidiary under these Terms and Conditions. Such steps may only be taken by the Agent.
- 23.2 Clause 23.1 shall not apply if the Agent has been instructed by the Holders in accordance with these Terms and Conditions to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Holder to provide documents in accordance with Clause 20.1.2), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under these Terms and Conditions or by any reason described in Clause 20.2.11, such failure must continue for at least forty (40) Business Days after notice pursuant to Clause 20.2.12 before a Holder may take any action referred to in Clause 23.1.
- 23.3 The provisions of Clause 23.1 shall not in any way limit an individual Holder's right to claim and enforce payments which are due by the Issuer to some but not all Holders.

24 TIME-BAR

- 24.1 The right to receive repayment of the principal of the Capital Securities shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive

payment of Interest (excluding any capitalised Interest) shall be time-barred and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Holders' right to receive payment has been time-barred and has become void.

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

25 NOTICES AND PRESS RELEASES

25.1 Notices

- 25.1.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:

- (a) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or to such address as notified by the Agent to the Issuer from time to time, and, if sent by email by the Issuer, to such email address as notified by the Agent to the Issuer from time to time;
- (b) if to the Issuer, shall be given at the address registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on the Business Day prior to dispatch or such address as notified by the Issuer to the Agent from time to time or, if sent by email by the Agent, to such email address as notified by the Issuer to the Agent from time to time; and
- (c) if to the Holders, shall be given at their addresses as registered with the CSD, on the Business Day prior to dispatch, and by either courier delivery or letter for all Holders, provided that the same means of communication shall be used for all Holders. A notice to the Holders shall also be published on the websites of the Issuer and the Agent.

- 25.1.2 Any notice or other communication made by one Person to another under or in connection with these Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Clause 25.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 25.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Clause 25.1.

- 25.1.3 Any notice which shall be provided to the Holders in physical form pursuant to these Terms and Conditions may, at the discretion of the Agent, be limited to:

- (a) a cover letter, which shall include:

- (i) all information needed in order for Holders to exercise their rights under these Terms and Conditions;
 - (ii) details of where Holders can retrieve additional information;
 - (iii) contact details to the Agent; and
 - (iv) an instruction to contact the Agent should any Holder wish to receive the additional information by regular mail; and
 - (b) copies of any document needed in order for Holders to exercise their rights under these Terms and Conditions.
- 25.1.4 Any notice or other communication pursuant to these Terms and Conditions shall be in English.
- 25.1.5 Failure to send a notice or other communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

25.2 Press releases

- 25.2.1 Any notice or communication that the Issuer shall send to the Holders pursuant to Clauses 11.1.1, 11.2 (*Optional settlement of Deferred Interest*), 11.3.2, 12.6 (*Notice of redemption*), 12.7 (*Cancellation of Capital Securities*), 17.2.1, 17.3.1, 17.4.12, 18.2 and 19.5 (*Notices etc.*) shall also be published by way of press release by the Issuer.
- 25.2.2 In addition to Clause 25.2.1, if any information relating to the Capital Securities, the Issuer or the Group contained in a notice that the Agent may send to the Holders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Holders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Holders, the Agent shall be entitled to issue such press release.

26 FORCE MAJEURE AND LIMITATION OF LIABILITY

- 26.1 Neither the Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade, natural disaster, insurrection, civil commotion, terrorism or any other similar circumstance (a “**Force Majeure Event**”). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent or the Issuing Agent itself takes such measures, or is subject to such measures.
- 26.2 Should a Force Majeure Event arise which prevents the Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 26.3 The provisions in this Clause 26 apply unless they are inconsistent with the provisions of the Financial Instruments Accounts Act which provisions shall take precedence.

27 GOVERNING LAW AND JURISDICTION

- 27.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.
- 27.2 Any dispute or claim arising in relation to these Terms and Conditions shall, subject to Clause 27.3, be determined by Swedish courts and the District Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.
- 27.3 The submission to the jurisdiction of the Swedish courts shall not limit the right of the Agent (or the Holders, as applicable) to take proceedings against the Issuer in any court which may otherwise exercise jurisdiction over the Issuer or any of its assets.

* * *

9 ADDRESSES

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