

Information Memorandum



A\$10,000,000,000 Australian Debt Issuance Programme
for the issuance of
medium term notes by Swedbank AB (publ)
and the issuance of
covered bonds by Swedbank Mortgage AB (publ) guaranteed by Swedbank AB (publ)

This Information Memorandum relates only to the issue of medium term notes by Swedbank AB (publ)

Issuer

Swedbank AB (publ)

(incorporated with limited liability in the Kingdom of Sweden)

Arranger

The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch

Dealer

The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch

The date of this Information Memorandum is 28 August 2015

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Important Notice

Introduction

This Information Memorandum relates to a debt issuance programme (“**Programme**”) established by Swedbank AB (publ) (“**Swedbank**”) and Swedbank Mortgage AB (publ) (“**Swedbank Mortgage**”).

Swedbank is a public limited liability bank company (*Sw: Bankaktiebolag*) incorporated under the laws of the Kingdom of Sweden.

Under the Programme, Swedbank may issue medium term notes (“**Notes**”) and Swedbank Mortgage may issue covered bonds (“**Bonds**”), in each case from time to time and in aggregate up to the Programme Amount (as defined in the section entitled “Summary of the Programme” below). Swedbank Mortgage has published a separate information memorandum that describes the issue of Bonds. This Information Memorandum relates only to the issue of Notes by Swedbank (“**Issuer**”).

*The Issuer is neither a bank nor an authorised deposit-taking institution which is authorised under the Banking Act 1959 of Australia (“**Banking Act**”). The Notes are not obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia. An investment in any Notes will not be covered by the depositor protection provisions in section 13A of the Banking Act and will not be covered by the Australian Government’s bank deposit guarantee (also commonly referred to as the Financial Claims Scheme). Notes that are offered for issue or sale or transferred in, or into, Australia are offered only in circumstances that would not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia (“**Corporations Act**”) and must only be issued and transferred in compliance with the terms of the exemption from compliance with section 66 of the Banking Act that is available to the Issuer (including that such Notes must be issued or transferred in, or into, Australia in parcels of not less than A\$500,000 in aggregate principal amount).*

Issuer’s responsibility

This Information Memorandum has been prepared by, and issued with the authority of, the Issuer.

The Issuer accepts responsibility for the information contained in this Information Memorandum other than information provided by the Arranger, the Dealers and the Agents (each as defined in the section entitled “Summary of the Programme” below) in relation to their respective descriptions in the sections entitled “Summary of the Programme” and “Directory” below.

Terms used in this Information Memorandum but not otherwise defined have the meaning given to them in the Conditions (as defined below).

Place of issuance

Subject to applicable laws and directives, the Issuer may issue Notes under the Programme in any country including Australia and countries in Europe and Asia but not in the United States of America unless such Notes are registered under the United States Securities Act of 1933 (as amended) (“**Securities Act**”) or an exemption from the registration requirements under the Securities Act is available.

Terms and conditions of issue

Notes will be issued in series (each a “**Series**”). Each Series may comprise one or more tranches (each a “**Tranche**”) having one or more issue dates and on conditions that are otherwise identical (other than, to the extent relevant, in respect of the issue price and the amount and date of the first payment of interest).

Each issue of Notes will be made pursuant to such documentation as the Issuer may determine. A pricing supplement and/or another supplement to this Information Memorandum (each a “**Pricing Supplement**”) will be issued for each Tranche or Series of Notes. A Pricing Supplement will contain

details of the initial aggregate principal amount, issue price, issue date, maturity date, details of interest (if any) payable together with any other terms and conditions not set out in this Information Memorandum that may be applicable to that Tranche or Series of Notes. The terms and conditions (“**Conditions**”) applicable to the Notes are included in this Information Memorandum and may be supplemented, amended, modified or replaced by the Pricing Supplement applicable to those Notes.

The Issuer may also publish a supplement to this Information Memorandum (or additional Information Memoranda) which describes the issue of Notes (or particular classes of Notes) not otherwise described in this Information Memorandum. A Pricing Supplement or a supplement to this Information Memorandum may also supplement, amend, modify or replace any statement or information set out in a Pricing Supplement or incorporated by reference in this Information Memorandum or a supplement to this Information Memorandum.

European Union (“EU”) Bank Resolution and Recovery Directive

The final text of the Bank Recovery and Resolution Directive (“**BRRD**”), establishing a framework for the prevention, management and resolution of failing credit institutions and investment firms, was published in the Official Journal of the European Union on 12 June 2014. The majority of measures set out in the BRRD are required to be implemented with effect from 1 January 2015. However, the Swedish implementation has been delayed and is expected to take place no earlier than 1 January 2016. See the section entitled “EU Bank Resolution and Recovery Directive” below for further information.

Documents incorporated by reference

This Information Memorandum is to be read in conjunction with all documents which are deemed to be incorporated into it by reference as set out below. This Information Memorandum shall, unless otherwise expressly stated, be read and construed on the basis that such documents are so incorporated and form part of this Information Memorandum. References to “**Information Memorandum**” are to this Information Memorandum and any other document incorporated by reference and to any of them individually.

The following documents (including any that are published or issued from time to time after the date of this Information Memorandum) are incorporated in, and taken to form part of, this Information Memorandum:

- the most recently published audited consolidated financial statements (including the auditor's report thereon and notes thereto) of the Issuer and, when released, any English translation, which can be viewed online at www.swedbank.com/investor-relations/financial-information-and-publications/annual-reports/index.htm;
- the most recently unaudited financial information in the published unaudited interim report of the Group and, when released, any English translation, which can be viewed online at www.swedbank.com/investor-relations/financial-information-and-publications/index.htm;
- all supplements or amendments to this Information Memorandum circulated by the Issuer from time to time;
- each Pricing Supplement and all documents stated therein to be incorporated in this Information Memorandum; and
- all other documents issued by the Issuer and stated to be incorporated in this Information Memorandum by reference.

Any statement contained in this Information Memorandum shall be modified or superseded in this Information Memorandum to the extent that a statement contained in any document subsequently incorporated by reference into this Information Memorandum modifies or supersedes such statement (including whether expressly or by implication).

Except as provided above, no other information, including any information on the internet sites of the Issuer or in any document incorporated by reference in any of the documents described above, is incorporated by reference into this Information Memorandum.

Copies of documents which are incorporated by reference in this Information Memorandum may be obtained, free of charge, from the registered office of the Issuer as set out at the end of this Information Memorandum or from such other person specified in a Pricing Supplement. For the avoidance of doubt, the Issuer's website is not incorporated by reference in this Information Memorandum.

Investors should review, amongst other things, the documents which are deemed to be incorporated by reference in this Information Memorandum when deciding whether or not to subscribe for, purchase or otherwise deal in any Notes or any rights in respect of any Notes.

References to internet site addresses

Any internet site addresses provided in this Information Memorandum are for reference only and, unless expressly stated otherwise, the content of any such internet site is not incorporated by reference into, and does not form part of, this Information Memorandum.

No independent verification

The only role of the Arranger, the Dealers and the Agents in the preparation of this Information Memorandum has been to confirm to the Issuer that their respective details, Australian Business Number (“**ABN**”) and Australian financial services licence (“**AFSL**”) numbers (where applicable) in the sections entitled “Summary of the Programme” and “Directory” below are accurate as at the Preparation Date (as defined below).

Apart from the foregoing, none of the Arranger, the Dealers (and none of their respective affiliates (“**Dealer Affiliates**”)) or the Agents has independently verified the information contained in this Information Memorandum. Accordingly, no representation, warranty or undertaking, express or implied, is made, and no responsibility is accepted, by any of them, as to the accuracy or completeness of this Information Memorandum or any further information supplied by the Issuer in connection with the Issuer, the Programme or any Notes.

The Arranger, the Dealers, the Dealer Affiliates and the Agents expressly do not undertake to review the financial condition or affairs of the Issuer or any of its affiliates at any time or to advise any holder of a Note of any information coming to their attention with respect to the Issuer and make no representations as to the ability of the Issuer to comply with its obligations under the Notes. None of the Arranger, the Dealers or the Agents make any representation as to the performance of the Issuer, the maintenance of capital or any particular rate of return, nor does the Arranger, any Dealer, any Dealer Affiliate or Agent guarantee the payment of capital or any particular rate of capital or income return, in each case, on the Notes.

No authorisation

No person has been authorised to give any information or make any representations not contained in or consistent with this Information Memorandum in connection with the Issuer, the Programme or the issue or sale of the Notes and, if given or made, such information or representation must not be relied on as having been authorised by the Issuer, the Arranger, the Dealers, the Dealer Affiliates or any of the Agents.

Intending purchasers to make independent investment decision and obtain tax advice

This Information Memorandum contains only summary information concerning the Notes. Neither the information contained in this Information Memorandum nor any other information supplied in connection with the Issuer, the Programme or the issue of any Notes is intended to provide the basis of any credit or other evaluation and should not be considered or relied on as a recommendation or a statement of opinion (or a report of either of those things) by any of the Issuer, the Arranger, the Dealers, the Dealer Affiliates or any Agent that any recipient of this Information Memorandum or any

other information supplied in connection with the Issuer, the Programme or the issue of any Notes should subscribe for, purchase or otherwise deal in any Notes or any rights in respect of any Notes.

Each investor contemplating subscribing for, purchasing or otherwise dealing in any Notes or any rights in respect of any Notes should:

- make and rely upon (and shall be taken to have made and relied upon) its own independent investigation of the financial condition and affairs of, and its own appraisal of the creditworthiness of, the Issuer;
- determine for themselves the relevance of the information contained in this Information Memorandum and any other information supplied in connection with the Programme or the issue of any Notes, and must base their investment decision solely upon their independent assessment and such investigations as they consider necessary; and
- consult their own tax advisers concerning the application of any tax laws applicable to their particular situation.

No advice is given in respect of the legal or taxation treatment of investors or purchasers in connection with an investment in any Notes or rights in respect of them and each investor is advised to consult its own professional adviser.

Risks

Neither this Information Memorandum nor any other information supplied in connection with the Programme or the issue of any Notes describes the risks of an investment in any Notes. Prospective investors should consult their own professional, financial, legal and tax advisers about risks associated with an investment in any Notes and the suitability of investing in the Notes in light of their particular circumstances.

No offer

This Information Memorandum does not, and is not intended to, constitute an offer or invitation by or on behalf of the Issuer, the Arranger, the Dealers, the Dealer Affiliates or the Agents to any person to subscribe for, purchase or otherwise deal in any Notes.

Selling restrictions and no disclosure

Neither this Information Memorandum nor any other disclosure document in relation to the Notes has been, or will be, lodged with the Australian Securities and Investments Commission (“ASIC”). No action has been taken which would permit an offering of the Notes in circumstances that would require disclosure under Part 6D.2 or Chapter 7 of the Corporations Act.

The Information Memorandum is not a prospectus or other disclosure document for the purposes of the Corporations Act.

For a description of certain restrictions on offers, sales and deliveries of the Notes, and on distribution of this Information Memorandum, any Pricing Supplement or other offering material relating to the Notes, see the section entitled “Selling Restrictions” below.

A person may not (directly or indirectly) offer for subscription or purchase or issue an invitation to subscribe for or buy Notes, nor distribute or publish this Information Memorandum or any other offering material or advertisement relating to the Notes except if the offer or invitation, or distribution or publication, complies with all applicable laws and directives.

No registration in the United States

The Notes have not been, and will not be, registered under the Securities Act. The Notes may not be offered, sold, delivered or transferred, at any time, within the United States of America, its territories or possessions or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the

Securities Act (“**Regulation S**”)) except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act.

Agency and distribution arrangements

The Issuer has agreed to pay fees to the Agents for undertaking their respective roles and reimburse them for certain of their expenses incurred in connection with the Programme and the offer and sale of Notes.

The Issuer may also pay a Dealer a fee in respect of the Notes subscribed by it, may agree to reimburse the Dealers for certain expenses incurred in connection with this Programme and may indemnify the Dealers against certain liabilities in connection with the offer and sale of Notes.

The Issuer, the Arranger, the Dealers, the Dealer Affiliates and the Agents, and their respective related entities, directors, officers and employees may have pecuniary or other interests in the Notes and may also have interests pursuant to other arrangements and may receive fees, brokerage and commissions and may act as a principal in dealing in any Notes.

The distribution and use of this Information Memorandum, including any Pricing Supplement, advertisement or other offering material, and the offer or sale of Notes may be restricted by law in certain jurisdictions and intending purchasers and other investors should inform themselves about them and observe any such restrictions. In particular, no action has been taken by any of the Issuer, the Arranger, the Dealers, the Dealer Affiliates or any Agents which would permit a public offering of any Notes or distribution of this Information Memorandum or any such document in any jurisdiction where action for that purpose is required.

References to credit ratings

There are references to credit ratings in this Information Memorandum. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant assigning organisation. Each credit rating should be evaluated independently of any other credit rating.

Credit ratings are for distribution only to a person (a) who is not a “retail client” within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or Chapter 7 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Information Memorandum and anyone who receives this Information Memorandum must not distribute it to any person who is not entitled to receive it.

Currencies

In this Information Memorandum, references to “**A\$**” or “**Australian dollars**” are to the lawful currency of the Commonwealth of Australia, references to “**Krona**”, “**Swedish Krona**” or “**SEK**” are to the lawful currency of Sweden and references to “**€**”, “**Euro**”, “**EUR**” or “**euro**” are to the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

Currency of information

The information contained in this Information Memorandum is prepared as of its Preparation Date. Neither the delivery of this Information Memorandum nor any offer, issue or sale made in connection with this Information Memorandum at any time implies that the information contained in it is correct, that any other information supplied in connection with the Programme or the issue of Notes is correct or that there has not been any change (adverse or otherwise) in the financial conditions or affairs of the Issuer at any time subsequent to the Preparation Date. In particular, the Issuer is not under any obligation to any person to update this Information Memorandum at any time after an issue of Notes.

In this Information Memorandum, "**Preparation Date**" means:

- in relation to this Information Memorandum, the date indicated on its face or, if this Information Memorandum has been amended or supplemented, the date indicated on the face of that amendment or supplement;
- in relation to annual reports and any financial statements incorporated in this Information Memorandum, the date up to, or as at, the date on which such annual reports and financial statements relate; and
- in relation to any other item of information which is to be read in conjunction with this Information Memorandum, the date indicated on its face as being its date of release or effectiveness.

Summary of the Programme

The following is a brief summary only and should be read in conjunction with the rest of this Information Memorandum and, in relation to any Notes, the applicable Conditions and any relevant Pricing Supplement. A term used below but not otherwise defined has the meaning given to it in the Conditions. A reference to a “Pricing Supplement” does not limit the provisions or features of this Programme which may be supplemented, amended, modified or replaced by a Pricing Supplement in relation to a particular Tranche or Series of Notes.

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| Issuer: | Swedbank AB (publ) (“ Issuer ”). |
| Programme description: | <p>A non-underwritten debt issuance programme under which, subject to applicable laws and directives, the Issuer may elect to issue medium term notes (“Notes”) in the Australian domestic capital market in registered uncertificated form.</p> <p>Subject to all applicable laws and directives, the Issuer may issue Notes in any country including Australia and countries in Europe and Asia but not in the United States of America unless such Notes are registered under the Securities Act or an exemption from the registration requirements under the Securities Act is available.</p> <p>Under the Programme, Swedbank Mortgage AB (publ) may also issue medium term covered bonds. Swedbank Mortgage AB (publ) has published a separate information memorandum that describes the issue of such bonds.</p> |
| Programme Amount: | A\$10,000,000,000 (or its equivalent in other currencies and as that amount may be increased from time to time). |
| Programme Term: | The term of the Programme continues until terminated by the Issuer giving 30 days notice to the Arranger and the Dealers then appointed to the Programme generally or earlier by agreement between all parties to the Dealer Agreement dated 28 August 2015, as amended or supplemented from time to time (“ Dealer Agreement ”). |
| Arranger: | The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch |
| Dealers: | <p>The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch</p> <p>Contact details and particulars of the ABN and AFSL for each of the above named Arranger and Dealers are set out in the in the section entitled “Directory” below.</p> <p>Additional Dealers may be appointed by the Issuer from time to time for a specific Tranche or Series of Notes only or to the Programme generally.</p> |
| Registrar: | Citigroup Pty Limited (ABN 88 004 325 080) and/or any other person appointed by the Issuer to perform registry functions and establish and maintain a Register (as defined below) in or outside Australia on the Issuer’s behalf from time to time (“ Registrar ”). Details of additional appointments in respect of a Tranche or Series will be notified in the relevant Pricing Supplement. |
| Issuing and Paying Agent: | Citigroup Pty Limited (ABN 88 004 325 080) and/or such other person appointed by the Issuer to act as issuing agent or paying agent on the Issuer’s behalf from time to time in Australia in respect of a Tranche or Series (“ Issuing and Paying Agent ”) as will be notified in the relevant Pricing Supplement. |

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| Calculation Agents: | If a Calculation Agent is required for the purpose of calculating any amount or making any determination under a Note, such appointment will be notified in the relevant Pricing Supplement. The Issuer may terminate the appointment of the Calculation Agent, appoint additional or other Calculation Agents or elect to have no Calculation Agent. Where no Calculation Agent is appointed, the calculation of interest, principal and other payments in respect of the relevant Notes will be made by the Issuer. |
| Agents: | Each Registrar, Issuing and Paying Agent, Calculation Agent and any other person appointed by the Issuer to perform other agency functions with respect to any Tranche or Series of Notes (details of such appointment may be set out in the relevant Pricing Supplement). |
| Form of Notes: | Notes will be issued in registered uncertificated form and will be debt obligations of the Issuer which are constituted by, and owing under, the Note Deed Poll dated 28 August 2015, as amended or supplemented from time to time, or such other deed poll executed by the Issuer as may be specified in an applicable Pricing Supplement (each a “ Deed Poll ”). |
| | Notes take the form of entries in a register (“ Register ”) maintained by the Registrar. |
| Status and ranking: | The Notes will constitute unsubordinated, unsecured obligations of the Issuer and rank <i>pari passu</i> without any preference among themselves and (subject to such mandatory exceptions as are from time to time applicable under Swedish law) at least <i>pari passu</i> with all other unsecured indebtedness of the Issuer from time to time outstanding. |
| Negative pledge: | None. |
| Cross default: | None. |
| Issuance in Series: | Notes will be issued in Series. Each Series may comprise one or more Tranches having one or more issue dates and on conditions that are otherwise identical (other than, to the extent relevant, in respect of the issue price and the first payment of interest). The Notes of each Tranche of a Series are intended to be fungible with the other Tranches of Notes of that Series. |
| Maturities: | Subject to all applicable laws and directives, Notes may have any maturity as may be specified in the applicable Pricing Supplement or as may be agreed between the Issuer and the relevant purchasing Dealer. |
| Currencies: | Subject to all applicable laws and directives, Notes will be denominated in Australian dollars or such other freely tradeable currency or currencies as may be specified in the relevant Pricing Supplement. |
| Issue Price: | Notes may be issued at any price on a fully paid basis. |
| Interest: | Notes may or may not bear interest. Interest (if any) may be at a fixed, floating or other variable rate and may vary during the lifetime of the relevant Series. |
| Denominations: | Subject to all applicable laws and directives, Notes will be issued in such denominations as may be specified in the relevant Pricing Supplement. |
| Clearing Systems: | Notes may be transacted either within or outside any Clearing System (as defined below). |

The Issuer may apply to Austraclear Ltd (ABN 94 002 060 773)

("Austraclear") for approval for Notes to be traded on the clearing and settlement system operated by it ("**Austraclear System**"). Upon approval by Austraclear, the Notes will be traded through Austraclear in accordance with the rules and regulations of the Austraclear System.

Such approval by Austraclear is not a recommendation or endorsement by Austraclear of such Notes.

Transactions relating to interests in the Notes may also be carried out through the settlement system operated by Euroclear Bank S.A./N.V. ("**Euroclear**"), the settlement system operated by Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") or any other clearing system outside Australia specified in the relevant Pricing Supplement (the Austraclear System, Euroclear, Clearstream, Luxembourg and any other clearing system specified in the relevant Pricing Supplement, each a "**Clearing System**").

Interests in the Notes traded in the Austraclear System may be held for the benefit of Euroclear or Clearstream, Luxembourg. In these circumstances, entitlements in respect of holdings of interests in Notes in Euroclear would be held in the Austraclear System by a nominee of Euroclear (currently HSBC Custody Nominees (Australia) Limited) while entitlements in respect of holdings of interests in Notes in Clearstream, Luxembourg would be held in the Austraclear System by a nominee of J.P. Morgan Chase Bank, N.A. as custodian for Clearstream, Luxembourg.

The rights of a holder of interests in a Note held through Euroclear or Clearstream, Luxembourg are subject to the respective rules and regulations for accountholders of Euroclear and Clearstream, Luxembourg, the terms and conditions of agreements between Euroclear and Clearstream, Luxembourg and their respective nominee and the rules and regulations of the Austraclear System. In addition, any transfer of interests in a Note, which is held through Euroclear or Clearstream, Luxembourg will, to the extent such transfer will be recorded on the Austraclear System, be subject to the Corporations Act and the requirements for minimum consideration as set out in the Conditions.

The Issuer will not be responsible for the operation of the clearing arrangements which is a matter for the clearing institutions, their nominees, their participants and the investors.

Title: Entry of the name of the person in the Register in respect of a Note in registered form constitutes the obtaining or passing of title and is conclusive evidence that the person so entered is the registered holder of that Note subject to correction for fraud or proven error.

Title to Notes which are held in a Clearing System will be determined in accordance with the rules and regulations of the relevant Clearing System.

Notes which are held in the Austraclear System will be registered in the name of Austraclear.

No certificates in respect of any Notes will be issued unless the Issuer determines that certificates should be available or it is required to do so pursuant to any applicable law or directive.

Title to other Notes which are not lodged in a Clearing System will depend on the form of those Notes as specified in the relevant Pricing Supplement.

Other Notes: The Issuer may from time to time issue Notes in a form not specifically contemplated in this Information Memorandum. Terms applicable to any other type of Note that the Issuer and any relevant Dealer(s) or other

investor(s) may agree to issue under this Programme will be set out in the relevant Pricing Supplement or another supplement to this Information Memorandum.

Payments and
Record Date:

Payments to persons who hold Notes through a Clearing System will be made in accordance with the rules and regulations of the relevant Clearing System.

If Notes are not lodged in a Clearing System, then payments in respect of those Notes will be made to the account of the registered holder noted in the Register as at 5.00pm in the place where the Register is maintained on the relevant Record Date. If no account is notified, then payments will be made by cheque mailed on the Business Day immediately preceding the relevant payment date to the registered holder at its address appearing in the Register on the Record Date or in such other manner as the Issuer considers appropriate.

The Record Date is 5.00pm in the place where the Register is maintained on the eighth calendar day before a payment date or such other period specified in the relevant Pricing Supplement.

Selling restrictions:

The offer, sale and delivery of Notes and the distribution of this Information Memorandum and other material in relation to any Notes are subject to such restrictions as may apply in any country in connection with the offer and sale of a particular Tranche or Series of Notes. In particular, restrictions on the offer, sale or delivery of Notes in Australia, the United Kingdom, the United States of America, Hong Kong, Japan, Singapore and the European Economic Area are set out in the section entitled "Selling Restrictions" below.

Transfer procedure:

Notes may only be transferred in whole and in accordance with the Conditions.

In particular, Notes may only be transferred if:

- (a) in the case of Notes to be transferred in, or into, Australia:
 - (i) the offer or invitation giving rise to the transfer is for an aggregate consideration of at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the transferor or its associates to the transferee) or does not otherwise require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
 - (ii) the transfer is not to a "retail client" for the purposes of section 761G of the Corporations Act; and
 - (iii) the transfer complies with Banking (Exemption) Order No. 82 as if it applied to the Issuer *mutatis mutandis* (and which, as at the date of this Information Memorandum, requires all offers and transfers of any parcels of Notes to be for an aggregate principal amount of not less than A\$500,000); and
- (b) at all times, the transfer complies with all applicable laws and directives of the jurisdiction where the transfer takes place.

Transfers of Notes held in a Clearing System will be made in accordance with the rules and regulations of the relevant Clearing System.

Substitution of the Issuer: The Issuer of Notes may, without the consent of Noteholders but subject to certain conditions, be substituted as the principal debtor under the relevant Notes as more fully set out in Condition 19 (“Substitution of the Issuer”).

Stamp duty: Any stamp duty incurred at the time of issue of the Notes will be for the account of the Issuer. Any stamp duty incurred on a transfer of Notes will be for the account of the relevant investors.

As at the date of this Information Memorandum, no *ad valorem* stamp duty is payable in any Australian State or Territory on the issue, transfer or redemption of the Notes. However, investors are advised to seek independent advice regarding any stamp duty or other taxes imposed by another jurisdiction upon the transfer of Notes, or interests in Notes.

Taxes, withholdings and deductions: All payments in respect of the Notes will be made without withholding or deduction for or on account of any present or future Taxes unless such withholding or deduction is required by law. In the event that any such deduction is made, the Issuer will, save in certain limited circumstances provided in Condition 11 (“Taxation”), be required to pay additional amounts to cover the amounts so deducted.

A brief overview of the Australian and Swedish taxation treatment of payments of interest on Notes is set out in the section entitled “Taxation” below.

The U.S. “Foreign Account Tax Compliance Act” (or “**FATCA**”) imposes a due diligence and reporting regime and, potentially, a 30 per cent. withholding tax with respect to certain payments to (i) non-U.S. financial institutions that do not comply with this due diligence and reporting regime, and (ii) certain investors that do not provide identification information with respect to interests issued by a participating non-U.S. financial institution.

While the Notes are in global form and held within the clearing systems, in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the clearing systems. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Prospective investors should refer to the section entitled “Taxation – Foreign Account Tax Compliance Act” below.

Listing: It is not currently intended that the Notes will be listed on any stock exchange.

An application may be made for the Issuer to be admitted to the official list of, and/or Notes of a particular Series to be quoted on, the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691) (“**ASX**”) or on any other stock or securities exchange (in accordance with applicable laws and directives).

Any Notes which are quoted on the ASX will not be transferred through, or

registered on, the Clearing House Electronic Sub-Register System (“**CHESS**”) operated by ASX Settlement Pty Limited (ABN 49 008 504 532) and will not be “Approved Financial Products” for the purposes of that system. Interests in the Notes will instead be held in, and transferable through, the Austraclear System.

The applicable Pricing Supplement in respect of the issue of any Tranche of Notes will specify whether or not such Notes will be quoted on any stock or securities exchange.

Governing law: The Notes (other than Condition 4 (“Status and ranking”)) and all related documentation will be governed by the laws of New South Wales, Australia. Condition 4 shall be governed by Swedish law.

Use of proceeds: The net proceeds from each issue of Notes will be used by the Issuer for its general corporate purposes.

Credit rating: The Issuer and/or the Notes to be issued under the Programme may be rated by one or more rating agencies. The credit rating of the Issuer or an individual Tranche or Series of Notes will be specified in the relevant Pricing Supplement for those Notes (or another supplement to this Information Memorandum).

A credit rating is not a recommendation to buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

Credit ratings are for distribution only to a person (a) who is not a “retail client” within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or Chapter 7 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Information Memorandum and anyone who receives this Information Memorandum must not distribute it to any person who is not entitled to receive it.

Investors to obtain independent advice with respect to investment and other risks: This Information Memorandum does not describe the risks of an investment in any Notes. Prospective investors should consult their own professional, financial, legal and tax advisers about risks associated with an investment in any Notes and the suitability of investing in the Notes in light of their particular circumstances.

Description of the Issuer

Swedbank AB (publ) ("**Swedbank**") is a public limited liability bank company (Sw: *Bankaktiebolag*) incorporated under the laws of the Kingdom of Sweden and headquartered in Stockholm. It has been registered in the Swedish Companies Registration Office in Sundsvall under registration number 502017-7753 since 24 April 1942.

Swedbank's and its subsidiaries (the "**Group**") principal markets are in Sweden, Estonia, Latvia and Lithuania. As set out in Article 1 of its Articles of Association, the purpose of the Group is to conduct banking business and financing operations, and operations naturally connected therewith. The Group offers a broad range of products and services, including retail banking, corporate and investment banking, asset management and insurance products, and the majority of the Group's income is derived from its Swedish banking services.

The Group has a history dating back to 1820 when the first savings bank was founded in Sweden. In the early 1990s, each of Sparbanken Sverige and Föreningsbanken was merged with a number of regional savings banks and regional agricultural co-operative banks, respectively. In 1997, Sparbanken Sverige and Föreningsbanken merged to form FöreningsSparbanken. FöreningsSparbanken changed its name to Swedbank in 2006. Swedbank expanded its operations into the Baltic countries (Estonia, Latvia and Lithuania) in 1996 when it acquired a 12.5 per cent stake in Eesti Hoiupank, a bank that merged with Hansabank in 1998. In 1999, Swedbank acquired additional shares resulting in a 50 per cent ownership of the shares in Hansabank and in 2005 acquired all outstanding shares in Hansabank (now Swedbank AS). Its Russian and Ukrainian operations are reported as discontinued operations for 2012 and 2013. During the second quarter 2013 the sale of the Group's Ukrainian subsidiary was finalised. The Group also decided to wind-down the remaining operations in Russia. In October 2013, the Russian central bank approved Swedbank's application to revoke Swedbank's banking licence in Russia. In April 2015, Swedbank divested the subsidiary Juristbyrå to Familjens jurist AB. Familjens jurist aims to continue the franchise operation in its current form. The acquisition is approved by the Swedish Competition Authority.

Strategy

Swedbank's core strategy is to provide customer value and build sustainable value. By being a stable profitable bank with low risk, Swedbank is able to build relationships that meet its customers' long-term needs. The aim of its strategy is to create sustainable value for its customers, society, its shareholders and its employees. Swedbank has chosen to create long-term customer and shareholder value. This goal reflects Swedbank's purpose, values and vision.

Accessible Full-Service Bank

Swedbank offers households and businesses a range of banking services; everything from basic transaction services to sophisticated advisory services. Swedbank's goal is to provide these services in a sustainable way that creates customer value while promoting sound financial practices. Swedbank's products and services are based on and adapted to its customers' needs and preferences. By being an accessible bank, Swedbank increases the overall value it can offer local communities. Swedbank is an inclusive bank with services that cater to a variety of needs. Many basic services that can be automated are carried out through self-service channels. More complex services that require specialty advice are provided by Swedbank employees directly to customers.

Business Segments

The Group consists of four business segments.

- **Swedish Banking:** Swedish Banking offers a broad range of financial products and services to private customers, as well as small and medium-sized corporates, through branches as well as through telephone and internet banking. Through co-operation with local associated independent savings banks and partly-owned banks, the Group also offers its retail products through other branches;

- *Baltic Banking:* Baltic Banking offers a complete range of financial products and services to private and corporate customers in Estonia, Latvia and Lithuania through branches as well as through telephone and internet banking. The Group holds leading positions in several key market segments in its Baltic home markets;
- *Large Corporates & Institutions:* Large Corporates & Institutions (“**LC&I**”) is responsible for customers with revenues above SEK 2 billion whose needs are considered complex due to their multinational operations or their need for sophisticated financing solutions. LC&I is also responsible for developing corporate and capital market products for other parts of the Group and associated independent Swedish savings banks. LC&I works closely with customers to provide advice on decisions that create sustainable profits and growth. LC&I branches are located in Sweden, Norway, Estonia, Latvia, Lithuania, Finland, Luxembourg, China, the United States and South Africa; and
- *Group Functions & Other:* Group Functions & Other consists of Group Functions and Ektornet (the repossessed property management and development division). Group Functions consists of Group Finance (including Group Treasury) Risk, Compliance, Corporate Affairs (which covers communication, strategic marketing and community relations), Human Resources, Legal, Group Product, Group IT and the Group Executive Committee. Group Functions operates across all of the business segments and provides strategic and administrative support to all segments.

Products and Services

Mortgage Lending Products

The products offered primarily consist of loans secured by mortgages over the underlying residential, agricultural and forest properties. Consumer real estate loans include fixed and variable rate loans for home purchase and refinancing needs. Both Swedbank and Swedbank Mortgage originate mortgages. Swedbank Mortgage is responsible for the origination of loans with up to a 85 per cent. loan-to-value ratio, whereas Swedbank is responsible for originating loans which exceed a 85 per cent. loan-to-value ratio. To benefit customers by offering a broad range of home buying services and reducing costs, while creating the opportunity to acquire profitable new businesses in this segment, the Group creates economies of scale by co-operating with a number of partners including Swedbank's subsidiary, Swedbank Fastighetsbyrå, various home builders and other construction companies.

Corporate Banking Products

The Group offers a full range of corporate banking products and services for small and medium-sized business clients, and large and multinational corporate customers, including financing, cash management, leasing products, investment and risk management services. In addition, the Group offers mortgage lending and lending to the agricultural and forestry industries through Swedbank Mortgage. The products offered include corporate loans as well as credit facilities adapted to meet the customers' needs. Real estate loans are primarily aimed at public and private developers, home builders and commercial real estate companies.

Investment Banking Products

The Group offers equity, fixed income and currency trading, project, export and acquisition financing and corporate services as part of its LC&I business.

Consumer Lending Products

The Group offers a range of personal loans, both secured and unsecured to its retail customers. These can be made for specific purposes, such as vehicle loans, or as general purpose personal loans.

Savings and Investment Products

The Group offers a comprehensive range of deposit-related products, including traditional savings accounts and current accounts tailored to different customer segments. Through Asset Management and Insurance, the Group offers its customers a comprehensive range of investment products,

including equity funds, fixed income funds, insurance products and individual pension savings products.

Payment Services

The Group offers a broad range of payment products, including debit, transaction services and card infrastructure. In retail transactions, the Group emphasises convenience and time saving by making automatic payment options available to the Group's customers through direct debit or other electronic channels, such as e-bills or mobile and card payments. For corporate cash management, the focus is on offering clients a packaged, integrated solution.

Key Geographic Markets

The Group currently operates in four geographic home markets: Sweden, Estonia, Latvia and Lithuania. To support business in these markets, the Group has established branches in neighbouring markets such as Finland, Norway and Denmark, as well as in major markets of financial importance such as in the U.S. (where the Group has both a branch and a subsidiary) and China (where the Group has a branch). The Group also has a branch in Luxembourg and representative offices in Spain and South Africa.

EU Bank Resolution and Recovery Directive

On 2 July 2014, Directive 2014/59/EU (the Bank Recovery and Resolution Directive, “**BRRD**”) providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms entered into force. The BRRD is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system. The BRRD should be applied by the EU Member States from 1 January 2015, except for the general bail-in tool which is to be applied from 1 January 2016. The Swedish implementation has been delayed and is expected to take place on 1 January 2016.

The aim of the new framework is to reduce the risk that taxpayers will have to bear the cost in the event of a banking crisis. One of the ways in which this is intended to be accomplished is through a “bail-in”, which means that shareholders and creditors will be expected to absorb losses of a financial institution if the relevant national resolution authority considers that, among other things, the financial institution is failing or likely to fail. Under the BRRD, the national resolution authorities will also have powers to request changes in the structure and operations of financial institutions, if such changes are deemed necessary, in order to ensure these institutions are resolvable, in case they become non-viable. The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors.

The BRRD contains different resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe; and (c) a resolution action is in the public interest. Among those resolution tools the bail-in tool gives resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims to equity (the general bail-in tool), which equity could also be subject to any future application of the general bail-in tool.

An institution will be considered as failing or likely to fail when: it is, or is likely in the near future to be, in breach of its requirements for continuing authorisation; its assets are, or are likely in the near future to be, less than its liabilities; it is, or is likely in the near future to be, unable to pay its debts as they fall due; or it requires extraordinary public financial support (except in limited circumstances).

The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. Once the BRRD is fully implemented, holders of Notes may be subject to write-down or conversion into equity on any application of the general bail-in tool, which may result in such holders losing some or all of their investment. The exercise of any power under the BRRD or any suggestion of such exercise could, therefore, materially adversely affect the rights of holders, the price or value of their investment in any Notes and/or the ability of the Issuer to satisfy its obligations under any Notes. Neither the BRRD nor the proposals of the Financial Crisis Committee contain any grandfathering or transitional rules that would exempt the Notes from the application of these powers even if the Notes have been issued before the BRRD entering into force in Sweden.

The BRRD is also likely to have an impact on how large a capital buffer a bank will need, in addition to those set out in the EU Capital Requirements Regulation and the EU Capital Requirements Directive. To ensure that banks always have sufficient loss-absorbing capacity, the BRRD provides for national resolution authorities to set minimum requirements for own funds and eligible liabilities (“**MREL**”) for each institution, based on, amongst other criteria, its size, risk and business model. Parallel to this, the Financial Stability Board (“**FSB**”) has issued a proposal on Total Loss Absorbing Capital (“**TLAC**”), which sets corresponding requirements for globally systemically important banks. The proposal on TLAC is ultimately expected to influence how the MREL requirement is determined in the EU. The FSB proposes a lag before implementation of TLAC (not before 1 January 2019), whereas the requirement to set MREL applies from the date of national implementation of Article 45 of the BRRD (1 January 2016 at the latest). Uncertainties exist regarding the configuration and level of the MREL requirement, and consequently how this will affect Swedbank's capital requirements.

Conditions of the Notes

The following are the conditions which, as supplemented, amended, modified or replaced by an applicable Pricing Supplement, apply to each Note constituted by the Deed Poll ("**Conditions**"). References to the "Pricing Supplement" in these conditions do not limit the provisions which may be supplemented, amended, modified or replaced by the Pricing Supplement in relation to a particular Series of Notes.

1 Interpretation

1.1 Definitions

In these Conditions the following expressions have the following meanings:

Additional Amount means an additional amount payable by the Issuer under Condition 11.2 ("Withholding tax");

Agency Agreement means:

- (a) the agreement entitled "Agency and Registry Services Agreement" and dated 28 August 2015 between the Issuer and Citigroup Pty Limited (ABN 88 004 325 080);
- (b) any other agreement between the Issuer and a Registrar in relation to the establishment and maintenance of a Register (and/or the performance of any payment or other duties) for any issue of Notes; and/or
- (c) any other agency agreement between the Issuer and an Agent in connection with any issue of Notes;

Agent means each of the Registrar, the Issuing and Paying Agent, the Calculation Agent and any additional agent appointed under an Agency Agreement, or any of them as the context requires;

Amortised Face Amount means, in respect of a Zero Coupon Note, an amount equal to the sum of:

- (a) the Reference Price specified in the Pricing Supplement; and
- (b) the amount resulting from the application of the Accrual Yield specified in the Pricing Supplement (compounded annually) to the Reference Price from (and including) the Issue Date to (but excluding) the later of:
 - (i) the date fixed for redemption or (as the case may be) the earlier date the Note becomes due and repayable; and
 - (ii) the date on which payment is made to Noteholder under Condition 9.8 ("Late payment"),

as further adjusted, if applicable, in the manner specified in the Pricing Supplement.

If the calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year must be made on the basis of the Day Count Fraction specified in the Pricing Supplement;

Austraclear means Austraclear Ltd (ABN 94 002 060 773);

Austraclear Regulations means the regulations known as the "Austraclear Regulations", together with any instructions or directions, (as amended or replaced from time to time)

established by Austraclear to govern the use of the Austraclear System and binding on the participants in that system;

Austraclear System means the clearing and settlement system operated by Austraclear in Australia for holding securities and electronic recording and settling of transactions in those securities between participants of that system;

Business Day means:

- (a) a day on which banks are open for general banking business in Sydney, Stockholm and in each (if any) Relevant Financial Centre specified in the Pricing Supplement (not being a Saturday, Sunday or public holiday in that place); and
- (b) if a Note to be held in a Clearing System is to be issued or a payment is to be made in respect of a Note held in any Clearing System on that day, a day on which each applicable Clearing System in which the relevant Note is lodged is operating;

Business Day Convention means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following conventions, where specified in the Pricing Supplement in relation to any date applicable to any Note, have the following meanings:

- (a) **Floating Rate Convention** means that the date is postponed to the next following day which is a Business Day unless that day falls in the next calendar month, in which event:
 - (i) that date is brought forward to the first preceding day that is a Business Day; and
 - (ii) each subsequent Interest Payment Date is the last Business Day in the month which falls the number of months or other period specified as the Interest Period in the Pricing Supplement after the preceding applicable Interest Payment Date occurred;
- (b) **Following Business Day Convention** means that the date is postponed to the first following day that is a Business Day;
- (c) **Modified Following Business Day Convention** or **Modified Business Day Convention** means that the date is postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date is brought forward to the first preceding day that is a Business Day;
- (d) **Preceding Business Day Convention** means that the date is brought forward to the first preceding day that is a Business Day; and
- (e) **No Adjustment** means that the relevant date must not be adjusted in accordance with any Business Day Convention.

If no convention is specified in the Pricing Supplement, the Following Business Day Convention applies. Different conventions may be specified in relation to, or apply to, different dates;

Calculation Agent means, in respect of a Note, any person appointed by the Issuer under an Agency Agreement and specified in the Pricing Supplement as the party responsible for calculating the Interest Rate and other amounts required to be calculated under these Conditions;

Clearing System means:

- (a) the Austraclear System; or

- (b) any other clearing system outside Australia specified in the Pricing Supplement;

Conditions means, in relation to a Note, these terms and conditions as amended, supplemented, modified or replaced by the Pricing Supplement applicable to such Note and references to a particular numbered Condition shall be construed accordingly;

Day Count Fraction means, in respect of the calculation of interest on a Note for any period of time (“**Calculation Period**”), the day count fraction specified in the Pricing Supplement and:

- (a) if “**Actual/Actual (ICMA)**” is so specified, means:
- (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period, and (2) the number of Regular Periods normally ending in any year; and
 - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period, and (2) the number of Regular Periods normally ending in any year;
- (b) if “**Actual/Actual**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
- (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
 - (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if “**30/360**”, “**360/360**” or “**Bond Basis**” is so specified, means the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

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

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

- “**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;
- “**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and
- “**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

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

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

- “**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;
- “**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;
- “**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and
- “**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30;

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

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

- “**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;
- “**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;
- “**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;
- “**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

- “**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and
- “**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30; and
- (h) if “**RBA Bond Basis**” or “**Australian Bond Basis**” is so specified, means one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
- (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
 - (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365));

Deed Poll means:

- (a) the deed poll entitled “Note Deed Poll” dated 28 August 2015; and
- (b) such other deed poll that supplements, amends, restates, modifies or replaces the deed poll referred to above, or which is otherwise acknowledged in writing to be a deed poll for the purposes of the Programme,

in each case, executed by the Issuer;

Denomination means the notional face value of a Note specified in the Pricing Supplement;

Early Redemption Amount means the early redemption amount specified in, or determined in accordance with, the Pricing Supplement;

Event of Default means an event so described in Condition 13 (“Events of Default”);

Fixed Rate Note means a Note on which interest is calculated at a fixed rate payable in arrear on a fixed date or fixed dates in each year and on redemption or on any other dates as specified in the Pricing Supplement;

Floating Rate Note means a Note on which interest is calculated at a floating rate payable monthly or 2, 3, 6, or 12 monthly or in respect of any other period or on any other date specified in the Pricing Supplement;

Information Memorandum means, in respect of a Note:

- (a) the Information Memorandum dated 28 August 2015 or the then latest information memorandum which replaces the document; or
- (b) the information memorandum or other offering document referred to in the Pricing Supplement,

in each case, prepared by, or on behalf of, and approved in writing by, the Issuer in connection with the issue of that Note and all documents incorporated by reference in it, including any applicable Pricing Supplement and any other applicable amendments or supplements to it;

Interest Commencement Date means, in respect of a Note, the Issue Date of the Note or any other date so specified in the Pricing Supplement;

Interest Determination Date means each date so specified in, or determined in accordance with, the Pricing Supplement;

Interest Payment Date means each date so specified in, or determined in accordance with, the Pricing Supplement;

Interest Period means each period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date. However:

- (a) the first Interest Period commences on (and includes) the Interest Commencement Date; and
- (b) the final Interest Period ends on (but excludes) the Maturity Date;

Interest Rate means, in respect of a Note, the interest rate (expressed as a percentage per annum) payable in respect of that Note specified in the Pricing Supplement or calculated or determined in accordance with these Conditions and the Pricing Supplement;

ISDA Definitions means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. (as supplemented, amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series);

Issuing and Paying Agent means:

- (a) Citigroup Pty Limited (ABN 88 004 325 080); and/or
- (b) any other person appointed by the Issuer under an Agency Agreement and specified in the relevant Pricing Supplement to perform issuing and paying agency functions on the Issuer's behalf with respect to a Series or Tranche of Notes;

Issue Date means, in respect of a Note, the date on which the Note is, or is to be issued, and as may be specified, or determined, in accordance with, the Pricing Supplement;

Issue Price means the price as set out in the Pricing Supplement;

Issuer means Swedbank AB (publ);

Margin means the margin specified in, or determined in accordance with, the Pricing Supplement;

Maturity Date means, in respect of a Note, the date so specified in, or determined in accordance with, the Pricing Supplement as the date on which the Note is to be redeemed (and adjusted, if necessary, in accordance with the applicable "Business Day Convention" so specified in the Pricing Supplement);

Meeting Provisions means the provisions relating to meetings of Noteholders and set out as a schedule to the Deed Poll;

Note means each form of bond, note, debt security, or debt obligation specified in an applicable Pricing Supplement and issued or to be issued by the Issuer which is constituted by, and owing under, the Deed Poll and the details of which are recorded in, and evidenced by entry in, the Register. References to any particular type of "Note" or "Notes" shall be read and construed accordingly. All references to Notes must, unless the context otherwise requires, be read and construed as references to the Notes of a particular Series;

Noteholder means, in respect of a Note, each person whose name is entered in the Register as the holder of that Note;

Ordinary Resolution has the meaning given in the Meeting Provisions;

Partly Paid Note means a Note in relation to which the initial subscription moneys are payable to the Issuer in two or more instalments;

Pricing Supplement means, in respect of a Tranche, the supplement specifying the relevant issue details in relation to that Tranche and which may be substantially in the form set out in the Information Memorandum, duly completed and signed by the Issuer;

Programme means the Issuer's uncommitted programme for the issuance of Notes described in the Information Memorandum;

Record Date means 5.00pm in the place where the Register is maintained on the date which is the eighth calendar day before the payment date or any other date so specified in the Pricing Supplement;

Redemption Amount means:

- (a) for a Note (other than a Zero Coupon Note), the outstanding principal amount as at the date of redemption; and
- (b) for a Zero Coupon Note, the Amortised Face Amount calculated as at the date of redemption,

and also includes any final instalment and any other amount in the nature of a redemption amount specified in, or determined in accordance with, the Pricing Supplement or these Conditions;

Redemption Date means, in respect of a Note, such date on which the Note is redeemed prior to its Maturity Date in accordance with these Conditions;

Reference Banks means the institutions so described in the Pricing Supplement or, if none, four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

Reference Rate means the rate specified in, or determined in accordance with, the Pricing Supplement;

Register means the register, including any branch register, of Noteholders of Notes established and maintained by the Issuer, or by a Registrar on its behalf under an Agency Agreement;

Registrar means:

- (a) Citigroup Pty Limited (ABN 88 004 325 080); and/or
- (b) any other person appointed by the Issuer under a relevant Agency Agreement to establish and maintain the Register in respect of a Tranche of Notes on the Issuer's behalf from time to time;

Regular Period means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each Interest Period;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and

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

Related Entity has the meaning given in the Corporations Act as though it applied to the Issuer *mutatis mutandis*;

Relevant Financial Centre means Sydney, Stockholm and/or any other centre specified in the Pricing Supplement;

Relevant Resolution Authority means any authority with the ability to exercise the Bail-in Power;

Relevant Screen Page means:

- (a) the page, section or other part of a particular information service specified as the Relevant Screen Page in the Pricing Supplement; or
- (b) any other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

Relevant Time has the meaning given in the Pricing Supplement;

Security Record has the meaning given in the Austraclear Regulations;

Series means an issue of Notes made up of one or more Tranches all of which form a single Series and are issued on the same Conditions except that the Issue Price, Issue Date and Interest Commencement Date may be different in respect of a different Tranche of a Series;

Specified Office means the office specified in the Information Memorandum or any other address notified to Noteholders from time to time;

Tax Authority means any government, state, municipal, local, federal or other fiscal, revenue, customs or excise authority, body or official, having power to tax to which the Issuer becomes subject in respect of payments made by it of principal or interest in respect of the Notes;

Taxes means taxes, levies, withholdings, deductions, assessments or governmental charges of whatever nature imposed or levied by any Tax Authority together with any related interest, penalties, fines and expenses in connection with them except if imposed on, or calculated having regard to, the net income of a Noteholder;

Tranche means an issue of Notes specified as such in the Pricing Supplement issued on the same Issue Date and on the same Conditions; and

Zero Coupon Note means a Note which does not carry entitlement to periodic payment of interest before the redemption date of the Note and which is issued at a discount to its principal amount.

1.2 References to certain general terms

Unless the contrary intention appears, a reference in these Conditions to:

- (a) a group of persons (other than the Noteholders) is a reference to any two or more of them jointly and to each of them individually;

- (b) a document (including these Conditions) includes any variation or replacement of it;
- (c) a “**law**” includes common law, principles of equity, decree and any statute or other law made by any parliament (and a statute or other law made by parliament includes any regulation and other instrument under it and any consolidation, amendment, re-enactment or replacement of it);
- (d) a “**directive**” includes a treaty, official directive, request, regulation, guideline or policy (whether or not having the force of law) with which responsible participants in the relevant market generally comply;
- (e) “**Australian dollars**” or “**A\$**” is a reference to the lawful currency of Australia;
- (f) “**Krona**”, “**Swedish Krona**” or “**SEK**” are to the lawful currency of Sweden;
- (g) “**€**”, “**Euro**”, “**EUR**” or “**euro**” is a reference to the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended from time to time;
- (h) a time of day is a reference to Sydney time;
- (i) a “**person**” includes an individual, corporation, company, firm, tribunal, undertaking, association, organisation, partnership, joint venture, trust, limited liability company, unincorporated organisation or government or any agency, instrumentality or political subdivision thereof; in each case whether or not being a separate legal entity;
- (j) a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (k) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (l) a reference to the “**Corporations Act**” is to the Corporations Act 2001 of Australia;
- (m) anything (including any amount) is a reference to the whole and each part of it; and
- (n) the words “**including**”, “**for example**” or “**such as**” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

1.3 References to particular terms

Unless the contrary intention appears, in these Conditions:

- (a) a reference to an Agency Agreement is a reference to each Agency Agreement applicable to the Notes of the relevant Series;
- (b) a reference to an Agent is a reference to each Agent appointed to act in respect of Notes of the relevant Series;
- (c) a reference to the Deed Poll is a reference to the Deed Poll applicable to the Notes of the relevant Series;
- (d) a reference to a Note is a reference to a Note of a particular Series specified in the Pricing Supplement;
- (e) a reference to a Noteholder is a reference to the holder of Notes of a particular Series;

- (f) a reference to a Pricing Supplement is a reference to the Pricing Supplement applicable to the Notes of the particular Tranche specified in that Pricing Supplement;
- (g) if the Notes are Zero Coupon Notes, references to interest are not applicable; and
- (h) a reference to a particular date is a reference to that date adjusted in accordance with the applicable Business Day Convention.

1.4 References to principal and interest

Unless the contrary intention appears, in these Conditions:

- (a) any reference to “**principal**” is taken to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 11 (“Taxation”), any premium payable in respect of a Note, and any other amount in the nature of principal payable in respect of the Notes under these Conditions;
- (b) the principal amount of a Note issued at a discount is to be taken as at any time to equal the lesser of:
 - (i) its Denomination; and
 - (ii) if specified in the Pricing Supplement, its Amortised Face Amount at that time;
- (c) the principal amount of a Note which is to vary by reference to a schedule or formula (where such determination has been previously made in accordance with these Conditions) is to be taken as at any time to equal its varied amount;
- (d) the principal amount of a Partly Paid Note is to be taken to equal its paid up principal amount; and
- (e) any reference to “**interest**” is taken to include any Additional Amounts and any other amount in the nature of interest payable in respect of the Notes under these Conditions.

1.5 Number

The singular includes the plural and vice versa.

1.6 Headings

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of these Conditions.

1.7 Terms defined in Pricing Supplement

Terms which are defined in the Pricing Supplement as having a defined meaning have the same meaning when used in these Conditions but if the Pricing Supplement gives no meaning or specifies that the definition is “Not Applicable”, then that definition is not applicable to the Notes.

2 Introduction

2.1 Programme

Notes are issued under the Programme.

2.2 Pricing Supplement

- (a) Notes are issued in Series. A Series may comprise one or more Tranches having one or more Issue Dates and on conditions otherwise identical (other than, to the extent relevant, in respect of the Issue Price, Issue Date and Interest Commencement Date).
- (b) The Issuer will issue Notes on the terms set out in these Conditions as supplemented, amended, modified or replaced by the Pricing Supplement applicable to those Notes. If there is any inconsistency between these Conditions and the Pricing Supplement, the Pricing Supplement prevails.
- (c) Copies of the Pricing Supplement for a Tranche of Notes are available for inspection or upon request by a Noteholder or prospective Noteholder during normal business hours at the Specified Office of the Issuer or the Registrar or are otherwise available on reasonable request from the Issuer or the Registrar.

2.3 Types of Notes

A Note is either:

- (a) a Fixed Rate Note;
- (b) a Floating Rate Note; or
- (c) a Zero Coupon Note,

or a combination of the above (or any other type of debt obligation, including a certificate of deposit), as specified in the relevant Pricing Supplement.

2.4 Issue restrictions

Unless otherwise specified in the Pricing Supplement, Notes may only be offered (directly or indirectly) for issue, or applications invited for the issue of Notes, if:

- (a) where the offer or invitation is made in, or into, Australia:
 - (i) the aggregate consideration payable to the Issuer by the relevant subscriber is at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the Issuer or its associates to the subscriber) or the offer or invitation (including any resulting issue) does not otherwise require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
 - (ii) the offer or invitation (including any resulting issue) does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act; and
 - (iii) the offer or invitation (including any resulting issue) complies with the Banking (Exemption) Order No. 82 dated 23 September 1996 promulgated by the Assistant Treasurer of Australia as if it applied to the Issuer *mutatis mutandis* (including that the Notes the subject of the offer or invitation, when issued, have an aggregate principal amount of at least A\$500,000); and

- (b) at all times, the offer or invitation (including any resulting issue) complies with all applicable laws and directives in the jurisdiction in which the offer, invitation or issue takes place.

2.5 Denomination

Notes are issued in such Denomination(s) as specified in the Pricing Supplement.

2.6 Currency

Subject to compliance with all applicable legal and regulatory requirements, Notes may be denominated in Australian dollars or such other freely transferable and freely available currency or currencies as specified in the Pricing Supplement.

2.7 Clearing Systems

If the Notes are held in a Clearing System, the rights of a person holding an interest in those Notes are subject to the rules and regulations of the Clearing System including any removal, uplift or withdrawal (however described) of the Notes from that Clearing System or other action (including a transfer of the Notes) required by the rules and regulations of the Clearing System. The Issuer is not responsible for anything the Clearing System does or omits to do.

3 Form

3.1 Constitution

- (a) Notes are debt obligations of the Issuer constituted by, and owing under, the Deed Poll and the details of which are recorded in, and evidenced by entry in, the Register.
- (b) Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Deed Poll.

3.2 Form

Notes are issued in registered uncertificated form by entry in the Register.

3.3 No certificates

No certificates in respect of any Notes will be issued to Noteholders unless the Issuer determines that certificates should be available or are required by any applicable law or directive.

4 Status and ranking

The Notes constitute unsubordinated, unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and (subject to such mandatory exceptions as are from time to time applicable under Swedish law) at least *pari passu* with all other unsecured indebtedness of the Issuer from time to time outstanding

5 Title and transfer of Notes

5.1 Title

Title to a Note passes when details of the transfer are entered in the Register.

5.2 Effect of entries in Register

Each entry in the Register in respect of a Note constitutes:

- (a) an irrevocable undertaking by the Issuer to the Noteholder to:
 - (i) pay principal, any interest and any other amounts in accordance with these Conditions; and
 - (ii) otherwise to comply with the Conditions; and
- (b) an entitlement to the other benefits given to Noteholders under these Conditions in respect of the Note.

5.3 Ownership and non-recognition of interests

- (a) Entries in the Register in relation to a Note constitute conclusive evidence that the person so entered is the absolute owner of such Note subject to correction for fraud or proven error.
- (b) No notice of any trust or other interest in, or claim to, any Note will be entered in a Register. Neither the Issuer nor the relevant Registrar need take notice of any trust or other interest in, or claim to, any Note, except as ordered by a court of competent jurisdiction or required by any applicable law or directive. This Condition 5.3(b) applies whether or not a Note is overdue.

5.4 Joint holders

Where two or more persons are entered in the Register as the joint holders of a Note then they are taken to hold the Note as joint tenants with rights of survivorship, but the Registrar is not bound to register more than four persons as joint holders of a Note.

5.5 Transfer

Noteholders may only transfer Notes in accordance with these Conditions.

5.6 Transfers in whole

Notes may be transferred in whole but not in part.

5.7 Conditions of transfer

Notes may only be transferred if:

- (a) in the case of Notes to be transferred in, or into, Australia, the offer or invitation giving rise to the transfer:
 - (i) is for an aggregate consideration payable to the transferor by the relevant subscriber is at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the transferor or its associates to the subscriber) or the offer or invitation (including any resulting issue) does not otherwise require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
 - (ii) does not constitute an offer or invitation to a “retail client” as defined for the purposes of section 761G of the Corporations Act; and
 - (iii) the transfer complies with Banking (Exemption) Order No. 82 dated 23 September 1996 promulgated by the Assistant Treasurer of Australia as if it

applied to the Issuer *mutatis mutandis* (including that the Notes transferred have an aggregate principal amount of at least A\$500,000); and

- (b) at all times, the transfer complies with all applicable laws and directives of the jurisdiction where the transfer takes place.

5.8 Transfer procedures

- (a) Interests in Notes held in a Clearing System will be transferable only in accordance with the rules and regulations of that Clearing System. If a Note is lodged in the Austraclear System, neither the Issuer nor the relevant Registrar will recognise any such interest other than the interest of Austraclear as the Noteholder while that Note is lodged in the Austraclear System.
- (b) Application for the transfer of Notes not held in a Clearing System must be made by the lodgment of a transfer form with the Registrar at its Specified Office. Transfer forms must be in the form available from the Issuer or the Registrar (or such other person as may be specified in a Pricing Supplement) and:
 - (i) each transfer form must be:
 - (A) duly completed and stamped (if applicable);
 - (B) accompanied by any evidence the Registrar may require to establish that the transfer form has been duly executed; and
 - (C) signed by, or on behalf of, both the transferor and the transferee; and
 - (ii) transfers will be registered without charge provided all applicable Taxes have been paid.

5.9 Austraclear as Noteholder

If Austraclear is recorded in the Register as the Noteholder, each person in whose Security Record a Note is recorded is taken to acknowledge in favour of the Issuer, the Registrar and Austraclear that:

- (a) the Registrar's decision to act as the Registrar of that Note is not a recommendation or endorsement by the Registrar or Austraclear in relation to that Note, but only indicates that the Registrar considers that the holding of the Note is compatible with the performance by it of its obligations as Registrar under the Agency Agreement; and
- (b) the Noteholder does not rely on any fact, matter or circumstance contrary to paragraph (a).

5.10 Restrictions on transfers

Transfers of Notes which are not lodged in a Clearing System cannot be made between a Record Date and the relevant Interest Payment Date if a redemption of such Note is to occur during that period in accordance with these Conditions.

5.11 Effect of transfer

Upon registration and entry of the transferee in the Register the transferor ceases to be entitled to future benefits under these Conditions in respect of the transferred Note and the transferee becomes so entitled in accordance with Condition 5.2 ("Effect of entries in Register").

5.12 CHESS

Notes which are listed on the Australian Securities Exchange operated by ASX Limited (ABN 98 008 624 691) will not be transferred through, or registered on, the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited (ABN 49 008 504 532) and will not be “Approved Financial Products” for the purposes of that system.

5.13 Estates

A person becoming entitled to a Note as a consequence of the death or bankruptcy of a Noteholder or of a vesting order or a person administering the estate of a Noteholder may, upon producing such evidence as to that entitlement or status as the Registrar considers sufficient, transfer the Note or, if so entitled, become registered as the holder of the Note.

5.14 Unincorporated associations

A transfer of a Note to an unincorporated association is not permitted.

5.15 Transfer of unidentified Notes

If a Noteholder transfers some but not all of the Notes it holds and the transfer form does not identify the specific Notes transferred, the relevant Registrar may choose which Notes registered in the name of Noteholder have been transferred. However, the aggregate principal amounts of the Notes registered as transferred must equal the aggregate principal amount of the Notes expressed to be transferred in the transfer form.

6 Fixed Rate Notes

This Condition 6 applies to the Notes only if the Pricing Supplement states that it applies.

6.1 Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate. Interest is payable in arrear on each Interest Payment Date.

6.2 Fixed Coupon Amount

Unless otherwise specified in the Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the preceding Interest Period is the Fixed Coupon Amount specified in the Pricing Supplement.

6.3 Calculation of interest payable

The amount of interest payable in respect of a Fixed Rate Note for any period for which a Fixed Coupon Amount is not specified in the Pricing Supplement is calculated by multiplying the Interest Rate for that period, the outstanding principal amount of the Fixed Rate Note and the applicable Day Count Fraction.

7 Floating Rate Notes

This Condition 7 applies to the Notes only if the Pricing Supplement states that it applies.

7.1 Interest on Floating Rate Notes

Each Floating Rate Note bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate.

Interest is payable in arrear:

- (a) on each Interest Payment Date; or
- (b) if no Interest Payment Date is specified in the Pricing Supplement, on each date which falls the number of months or other period specified as the Specified Period in the Pricing Supplement after the preceding Interest Payment Date (or in the case of the first Interest Payment Date, after the Interest Commencement Date).

7.2 Interest Rate determination

The Interest Rate payable in respect of a Floating Rate Note must be determined by the Calculation Agent in accordance with these Conditions.

7.3 Fallback Interest Rate

Unless otherwise specified in the Pricing Supplement, if, in respect of an Interest Period, the Calculation Agent is unable to determine a rate in accordance with Condition 7.2 (“Interest Rate determination”), the Interest Rate for the Interest Period is the Interest Rate applicable to the Floating Rate Notes during the immediately preceding Interest Period.

7.4 ISDA Determination

Where “ISDA Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period is the sum of the Margin and the ISDA Rate.

In this Condition:

- (a) “**ISDA Rate**” for an Interest Period, means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction if the Calculation Agent for the Floating Rate Notes were acting as Calculation Agent for that Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:
 - (i) the Floating Rate Option, the Designated Maturity and the Reset Date are as specified in the Pricing Supplement; and
 - (ii) the Period End Dates are each Interest Payment Date, the Spread is the Margin and the Floating Rate Day Count Fraction is the Day Count Fraction; and
- (b) “**Swap Transaction**”, “**Floating Rate**”, “**Calculation Agent**” (except references to “Calculation Agent for the Floating Rate Notes”), “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**”, “**Period End Date**”, “**Spread**” and “**Floating Rate Day Count Fraction**” have the meanings given to those terms in the ISDA Definitions.

7.5 Screen Rate Determination

Where the “Screen Rate Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period is the sum of the Margin and the Screen Rate.

In this Condition, “**Screen Rate**” means, for an Interest Period, the quotation offered for the Reference Rate appearing on the Relevant Screen Page at the Relevant Time on the Interest Determination Date. However:

- (a) if there is more than one offered quotation displayed on the Relevant Screen Page at the Relevant Time on the Interest Determination Date, the “**Screen Rate**” means the

rate calculated by the Calculation Agent as the average of the offered quotations. If there are more than five offered quotations, the Calculation Agent must exclude the highest and lowest quotations (or in the case of equality, one of the highest and one of the lowest quotations) from its calculation;

- (b) if an offered quotation is not displayed by the Relevant Time on the Interest Determination Date or if it is displayed but the Calculation Agent determines that there is an obvious error in that rate, the “**Screen Rate**” means:
 - (i) the rate the Calculation Agent calculates as the average mean of the Reference Rates that each Reference Bank quoted to the leading banks in the Relevant Financial Centre specified in the Pricing Supplement at the Relevant Time on the Interest Determination Date; or
 - (ii) where the Calculation Agent is unable to calculate a rate under paragraph (i) because it is unable to obtain at least two quotes, the rate the Calculation Agent calculates as the average of the rates (being the nearest equivalent to the Reference Rate) quoted by two or more banks chosen by the Calculation Agent in the Relevant Financial Centre at approximately the Relevant Time on the Interest Determination Date for a period equivalent to the Interest Period to leading banks carrying on business in the Relevant Financial Centre in good faith; or
- (c) if the Pricing Supplement specifies an alternative method for the determination of the Screen Rate Determination, then that alternative method applies.

7.6 BBSW Rate Determination

Where “BBSW Rate Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate applicable to the Floating Rate Notes for each Interest Period is the sum of the Margin and the BBSW Rate.

In this Condition, **BBSW Rate** means, for an Interest Period, the rate for prime bank eligible securities having a tenor closest to the Interest Period which is designated as the “AVG MID” on the Reuters Screen BBSW Page at approximately 10:10am on the first day of that Interest Period. However, if such rate does not appear on the Reuters Screen BBSW Page by 10:30am on that day, or if it does appear but the Calculation Agent determines that there is an obvious error in that rate, “**BBSW Rate**” means the rate determined by the Calculation Agent having regard to comparable indices then available. The rate calculated or determined by the Calculation Agent will be expressed as a percentage rate per annum and will be rounded up, if necessary, to the next higher one ten-thousandth of a percentage point (0.0001 per cent.).

7.7 Interpolation

If the Pricing Supplement states that “Linear Interpolation” applies to an Interest Period, the Interest Rate for that Interest Period is determined through the use of straight line interpolation by reference to two ISDA Rates, Screen Rates, BBSW Rates or other floating rates specified in the Pricing Supplement.

The first rate must be determined as if the Interest Period were the period of time for which rates are available next shorter than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement).

The second rate must be determined as if the Interest Period were the period of time for which rates are available next longer than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement).

8 General provisions applicable to interest

8.1 Maximum or Minimum Interest Rate

If the Pricing Supplement specifies a “Maximum Interest Rate” or “Minimum Interest Rate” for any Interest Period, the Interest Rate for the Interest Period must not be greater than the maximum, or be less than the minimum, so specified. If no rate is specified, the Minimum Interest Rate shall be zero.

8.2 Calculation of Interest Rate and interest payable

- (a) The Calculation Agent must, in relation to each Interest Period for each Floating Rate Note:
 - (i) calculate the Interest Rate in accordance with these Conditions and the Pricing Supplement; and
 - (ii) as soon as practicable after determining the Interest Rate, calculate the amount of interest payable for the Interest Period in respect of the outstanding principal amount of that Note.
- (b) Unless otherwise specified in the Pricing Supplement, the amount of interest payable is calculated by multiplying the product of the Interest Rate for the Interest Period and the outstanding principal amount of the Note by the applicable Day Count Fraction.
- (c) The rate determined by the Calculation Agent must be expressed as a percentage rate per annum.

8.3 Calculation of other amounts

If the Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent must, as soon as practicable after the time at which that amount is to be determined, calculate the amount in the manner specified in the Pricing Supplement.

8.4 Notification of Interest Rate, interest payable and other items

- (a) The Calculation Agent must notify the Issuer, the Registrar, the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Notes are listed, quoted and/or traded of:
 - (i) each Interest Rate, the amount of interest payable and each other amount, item or date calculated or determined by it together with the Interest Payment Date; and
 - (ii) any amendment to any amount, item or date referred to in paragraph (i) arising from any extension or reduction in any Interest Period or calculation period.
- (b) The Calculation Agent must give notice under this Condition as soon as practicable after it makes its determination. However, it must give notice of each Interest Rate, the amount of interest payable and each Interest Payment Date by the fourth day of the Interest Period.
- (c) The Calculation Agent may amend its determination of any amount, item or date (or make appropriate alternative arrangements by way of adjustment) as a result of the extension or reduction of the Interest Period or calculation period without prior notice but must notify the Issuer, the Registrar, the Noteholders, each other Agent and each stock or securities exchange or other relevant authority on which the Notes are listed, quoted and/or traded after doing so.

8.5 Determination final

The determination by the Calculation Agent of all amounts, rates and dates falling to be determined by it under these Conditions is, in the absence of manifest error, final and binding on the Issuer, the Registrar, each Noteholder and each other Agent.

8.6 Rounding

For the purposes of any calculations required under these Conditions (unless otherwise specified in these Conditions or in the Pricing Supplement):

- (a) all percentages resulting from those calculations must be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.);
- (b) all figures resulting from those calculations must be rounded to five decimal places (with 0.000005 being rounded up to 0.00001); and
- (c) all amounts that are due and payable must be rounded (with halves being rounded up) to:
 - (i) in the case of Australian dollars, one cent; and
 - (ii) in the case of any other currency, the lowest amount of that currency available as legal tender in the country of that currency.

9 Redemption and purchase

9.1 Redemption on maturity

Each Note is redeemable by the Issuer on the Maturity Date at its Redemption Amount unless:

- (a) the Note has been previously redeemed;
- (b) the Note has been purchased and cancelled; or
- (c) the Pricing Supplement states that the Note has no fixed Maturity Date.

9.2 Partly paid Notes

Each Partly Paid Note is redeemable on the Maturity Date in accordance with the Conditions and Pricing Supplement.

9.3 Early redemption for taxation reasons

The Issuer may redeem all (but not some) of the Notes of a Series in whole before their Maturity Date at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date if, as a result of any change in or amendment to the laws or directives of the Kingdom of Sweden or of any political subdivision thereof or any authority or agency therein or thereof having power to tax, or in the interpretation or administration of any such laws or directives which becomes effective on or after the Issue Date, the Issuer is required under Condition 11.2 ("Withholding tax") to increase the amount of a payment in respect of a Note and such obligation cannot be avoided by the Issuer taking reasonable measures available to it.

However, the Issuer may only do so if:

- (a) prior to the publication of any notice of redemption for taxation reasons, the Issuer shall deliver to the Registrar a certificate signed by two duly authorised officers of the

Issuer stating that the Issuer is entitled to effect such redemption for taxation reasons and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment;

- (b) the Issuer has given at least 30 days and no more than 60 days (or any other period specified in the Pricing Supplement) notice to the Registrar, the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Notes are listed, quoted and/or traded;
- (c) in the case of Fixed Rate Notes, no notice of redemption is given earlier than 90 days before the earliest date on which the Issuer would be obliged to pay Additional Amounts; and
- (d) in the case of Floating Rate Notes:
 - (i) the proposed Redemption Date is an Interest Payment Date; and
 - (ii) the notice of redemption is given at least 30 days and not more than 60 days before the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay Additional Amounts.

9.4 Early redemption at the option of Noteholders (Noteholder put)

If the relevant Pricing Supplement states that a Noteholder may require the Issuer to redeem all or some of the Notes of a Series held by that Noteholder before their Maturity Date under this Condition 9.4, the Issuer must redeem the Notes specified by the Noteholder at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date if the following conditions are satisfied:

- (a) the amount of Notes to be redeemed is a multiple of their Denomination;
- (b) the Noteholder has given not less than 15 days nor more than 30 days (or any other period specified in the Pricing Supplement) notice, to the Issuer and the Registrar by delivering to the Specified Office of the Registrar during normal business hours a completed and signed redemption notice in the form obtainable from the Specified Office of the Registrar together with any evidence the Registrar may require to establish title of the Noteholder to the Note;
- (c) the notice referred to in paragraph (b) specifies an account in the country of the currency in which the Note is denominated to which the payment should be made or an address to where a cheque for payment should be sent;
- (d) the Redemption Date is an “Early Redemption Date (Put)” specified in the Pricing Supplement; and
- (e) any other relevant condition specified in the Pricing Supplement is satisfied.

A Noteholder may not require the Issuer to redeem any Note under this Condition 9.4 if the Issuer has given notice that it will redeem that Note under Condition 9.3 (“Early redemption for taxation reasons”) or Condition 9.5 (“Early redemption at the option of the Issuer (Issuer call)”).

9.5 Early redemption at the option of the Issuer (Issuer call)

If the Pricing Supplement states that the Issuer may redeem all or some of the Notes of a Series before their Maturity Date under this Condition, the Issuer may redeem so many of the Notes specified in the Pricing Supplement at the Redemption Amount and any interest accrued on it to (but excluding) the Redemption Date.

However, the Issuer may only do so if:

- (a) the amount of Notes to be redeemed is, or is a multiple of, their Denomination;
- (b) the Issuer has given not less than 15 days nor more than 30 days (or such lesser period specified in the Pricing Supplement) notice to the Registrar, the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Notes are listed;
- (c) the proposed Redemption Date is an Early Redemption Date (Call) specified in the Pricing Supplement; and
- (d) any other relevant condition specified in the Pricing Supplement is satisfied.

9.6 Partial redemptions

If only some of the Notes are to be redeemed under Condition 9.5 (“Early redemption at the option of the Issuer (Issuer call)”), the Notes to be redeemed must be specified in the notice and selected:

- (a) in a fair and reasonable manner under the circumstances of the proposed redemption and having regard to prevailing market practice; and
- (b) in compliance with any applicable law, directive or requirement of any applicable Clearing System and stock or securities exchange or other relevant authority on which the Notes are listed.

9.7 Effect of notice of redemption

Any notice of redemption given by the Issuer or a Noteholder under this Condition 9 (“Redemption and purchase”) is irrevocable.

9.8 Late payment

If an amount is not paid under this Condition 9 (“Redemption and purchase”) when due, then:

- (a) for a Note (other than a Zero Coupon Note), interest continues to accrue on the unpaid amount (both before and after any demand or judgment) at the default rate specified in the Pricing Supplement (or, if no default rate is specified, the last applicable Interest Rate) until the date on which payment is made to the Noteholder; and
- (b) for a Zero Coupon Note, the obligation to pay the amount is replaced by an obligation to pay the Amortised Face Amount recalculated as at the date on which payment is made to the Noteholder.

9.9 Purchase

The Issuer and any of its Related Entities may at any time purchase Notes in the open market or otherwise and at any price. Such Notes may be held, reissued, resold, or at the option of such purchaser, cancelled by notice to the Registrar. Purchases may be made by tender offers or in any other manner at the discretion of the purchasers, in each case, subject to compliance with any applicable law, directive or requirement of any stock or securities exchange or other relevant authority on which the Notes are listed.

10 Payments

10.1 Payment of principal

Payments of principal in respect of a Note will be made to each person registered at 10.00 am on the payment date as the Noteholder of that Note (or the first person to be registered in the case of joint holders).

10.2 Payment of interest

Payments of interest in respect of a Note will be made to each person registered at the close of business on the Record Date as the Noteholder of that Note (or the first person to be registered in the case of joint holders).

10.3 Payments to accounts

Payments in respect of the Note will be made in Australia, unless prohibited by law, and:

- (a) if the Note is held in the Austraclear System, by crediting on the payment date, the amount due to:
 - (i) the account of Austraclear (as the Noteholder) in Australia previously notified to the Issuer and the Registrar; or
 - (ii) if requested by Austraclear, the accounts in Australia of the persons in whose Security Record a Note is recorded as previously notified by Austraclear to the Issuer and the Registrar in accordance with Austraclear Regulations; and
- (b) if the Note is not held in the Austraclear System, by crediting on the payment date, the amount then due under each Note to an account in Australia previously notified by the Noteholder to the Issuer and the Registrar.

If a payment in respect of the Note is prohibited by law from being made in Australia, such payment will be made in an international financial centre for the account of the relevant payee, and on the basis that the relevant amounts are paid in immediately available funds, freely transferable at the order of the payee.

10.4 Payments by cheque

If the Noteholder has not notified the Registrar of an account to which payments to it must be made by the close of business on the Record Date, payments in respect of the Note will be made in Australia by cheque drawn on a bank in Australia sent by prepaid post on, or on the Business Day immediately before, the payment date, at the risk of the registered Noteholder, to the Noteholder (or to the first named joint holder of the Note) at its address appearing in the Register at the close of business on the Record Date. Cheques sent to the nominated address of a Noteholder are taken to have been received by the Noteholder on the payment date and, no further amount is payable by the Issuer in respect of the Notes as a result of the Noteholder not receiving payment on the due date.

10.5 Payments subject to law

All payments are subject in all cases to:

- (a) any applicable fiscal or other laws and directives in any jurisdiction but without prejudice to the provisions of Condition 11 ("Taxation"); and
- (b) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 or otherwise imposed pursuant to Sections 1471 through 1474 of that Code, any regulations or agreements thereunder, official interpretations thereof, or (but without prejudice to the provisions of

Condition 11 (“Taxation”)) any law implementing an intergovernmental approach thereto.

10.6 Payments on Business Days

If a payment is due on a day which is not a Business Day then the due date for payment is adjusted in accordance with the applicable Business Day Convention. The Noteholder is not entitled to any additional payment in respect of such delay.

10.7 Currency indemnity

The Issuer waives any right it has in any jurisdiction to pay an amount other than in the currency in which it is due. However, if a Noteholder receives an amount in a currency other than that in which it is due:

- (a) it may convert the amount received into the due currency (even though it may be necessary to convert through a third currency to do so) on the day and at such rates (including spot rate, same day value rate or value tomorrow rate) as it reasonably considers appropriate. It may deduct its usual costs in connection with the conversion; and
- (b) the Issuer satisfies its obligation to pay in the due currency only to the extent of the amount of the due currency obtained from the conversion after deducting the costs of the conversion.

11 Taxation

11.1 No set-off, counterclaim or deductions

All payments of principal and interest in respect of the Notes by the Issuer will be made without withholding or deduction for or on account of any present or future Taxes unless such withholding or deduction is required by law.

11.2 Withholding tax

Subject to Condition 11.3 (“Withholding tax exemptions”), if a law requires the Issuer to withhold or deduct an amount in respect of Taxes from a payment in respect of the Notes such that the Noteholder would not actually receive on the due date the full amount provided for under the Notes, then:

- (a) the Issuer agrees to deduct the amount for the Taxes (and any further withholding or deduction applicable to any further payment due under paragraph (b) below); and
- (b) if the amount deducted or withheld is in respect of Taxes imposed by the Kingdom of Sweden or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer will pay such additional amounts so that, after making the deduction and further deductions applicable to additional amounts payable under the Conditions, each Noteholder is entitled to receive (at the time of payment is due) the amount it would have received if no deductions or withholdings had been required to be made.

11.3 Withholding tax exemptions

No Additional Amounts shall be payable under Condition 11.2 (“Withholding tax”) with respect to any Note:

- (a) the Noteholder of which, or a third party on behalf of the Noteholder, is liable for such Taxes in respect of such Note by reason of having his having some connection with the Kingdom of Sweden other than the mere holding of the Note;

- (b) to, or to a third party on behalf of, a Noteholder who would not be liable or subject to such withholding or deduction if he were to make a declaration of non-residence or other claim for exemption but fails to do so; or
- (c) more than 30 days after the Relevant Date (as defined below), except to the extent that the relevant Noteholder would have been entitled to such additional amounts on presenting the same for payment on the expiry of such period of 30 days; or
- (d) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

For the purposes of these Conditions, the "**Relevant Date**" means, in respect of any payment, the date on which such payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Issuing and Paying Agent on or prior to such due date, it means the first date on which the full amount of such moneys has been so received and notice to that effect shall have been duly given to the Noteholders in accordance with Condition 18 ("Notices").

12 Time limit for claims

A claim against the Issuer for a payment under a Note is void unless made within ten years (in the case of principal) or five years (in the case of interest and other amounts) from the date on which payment first became due.

13 Events of Default

13.1 Events of Default

Any of the following events will constitute an Event of Default:

- (a) **(non-payment of principal)** if there is default for more than 15 days in the payment of principal of any of the Notes as and when the same shall become due and payable;
- (b) **(non-payment of interest)** if there is a default for more than 30 days in the payment of any interest due in respect of the Notes or any of them;
- (c) **(non-performance of obligations)** if there is a default in the performance or observance by the Issuer of any other obligations or provisions binding on it under the Notes and such default (i) is incapable of remedy or (ii) being a default which is capable of remedy, remains unremedied for 30 days after written notice requiring the same to be remedied shall have been given to the Issuer by any Noteholder;
- (d) **(insolvency)** if an agency or supervisory authority of the Kingdom of Sweden having jurisdiction in respect of the same institutes a proceeding, or a court in the Kingdom of Sweden enters a decree or order, for the appointment of a receiver or liquidator in any insolvency, rehabilitation, readjustment of debt, marshalling of assets and liabilities or similar arrangements involving:
 - (i) the Issuer;
 - (ii) as long as Swedbank Mortgage AB (publ) ("**Swedbank Mortgage**") is a wholly-owned subsidiary of the Issuer, Swedbank Mortgage;
 - (iii) all or substantially all of the Issuer's property;
 - (iv) as long as Swedbank Mortgage is a wholly-owned subsidiary of the Issuer, all or substantially all of Swedbank Mortgage's property;

- (v) the winding up of or liquidation of the Issuer's affairs; or
- (vi) as long as Swedbank Mortgage is a wholly-owned subsidiary of the Issuer, the winding up of or liquidation of Swedbank Mortgage's affairs,

as the case may be, and such proceeding, decree or order is not vacated or remains in force undischarged or unstayed for a period of 60 days; or

- (e) (**voluntary suspension**) if the Issuer or, as long as Swedbank Mortgage is a wholly-owned subsidiary of the Issuer, Swedbank Mortgage, files a petition to take advantage of any insolvency statute or voluntarily suspends payment of its obligations generally.

13.2 Consequences of an Event of Default

If an Event of Default occurs and is continuing, any Noteholder may, by written notice to the Issuer, effective upon the date of receipt by the Issuer, declare such Notes held by that Noteholder to be immediately due and payable whereupon such Notes shall become immediately due and payable at their Redemption Amount, together with accrued interest (if any) to the date of repayment, unless prior to the time the Issuer receives such notice the situation giving rise to the notice has been cured, provided, however, that, in the event specified in Condition 13.1(c) ("Events of Default"), any notice declaring the Notes due shall become effective only when the Issuer has received such notices from Noteholders of at least one quarter in principal amount of the relevant Notes then outstanding.

13.3 Notification

If an Event of Default occurs (or, in the case of Condition 13.1(c) ("Events of Default"), would occur with the giving of applicable notice and the lapse of time), the Issuer must promptly after becoming aware of it notify the Registrar of the occurrence of the event (specifying details of it) and use its reasonable endeavours to ensure that the Registrar promptly notifies the Noteholders, each other Agent and any stock or securities exchange or other relevant authority on which the Notes are listed, quoted and/or traded of the occurrence of the event.

14 Agents

14.1 Role of Agents

In acting under an Agency Agreement, each Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any Noteholder.

14.2 Appointment and replacement of Agents

Each initial Agent for a Series of Notes is specified in the Pricing Supplement. Subject to Condition 14.4 ("Required Agents"), the Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor.

14.3 Change of Agent

Notice of any change of an Agent or its Specified Offices must promptly be given to the Noteholders by the Issuer or the Agent on its behalf.

14.4 Required Agents

The Issuer must, in respect of each Series of Notes:

- (a) at all times maintain a Registrar; and

- (b) if a Calculation Agent is specified in the Pricing Supplement, at all times maintain a Calculation Agent.

15 Meetings of Noteholders

The Meeting Provisions contain provisions (which have effect as if incorporated in these Conditions) for convening meetings of the Noteholders of any Series to consider any matter affecting their interests, including any variation of these Conditions.

16 Variation

16.1 Variation with consent

Unless Condition 16.2 (“Variation without consent”) applies, any Condition may be varied by the Issuer in accordance with the Meeting Provisions.

16.2 Variation without consent

Any Condition may be amended by the Issuer without the consent of the Noteholders if the amendment:

- (a) is of a formal, minor or technical nature;
- (b) is made to correct a manifest error;
- (c) is made to cure any ambiguity or correct or supplement any defective or inconsistent provision and, in the reasonable opinion of the Issuer, is not materially prejudicial to the interests of the Noteholders;
- (d) is to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated; or
- (e) only applies to Notes issued by it after the date of amendment.

17 Further issues

The Issuer may from time to time, without the consent of the Noteholders, create and issue further Notes having the same Conditions as the Notes of any Series in all respects (or in all respects except for the Issue Price, Issue Date and the first Interest Payment Date) so as to form a single series with the Notes of that Series.

18 Notices

18.1 To Noteholders

All notices and other communications to Noteholders must be in writing. Any such notice or other communication may be given by any of the following means:

- (a) an advertisement published in the *Australian Financial Review* or *The Australian*;
- (b) if the Pricing Supplement specifies an additional or alternate newspaper, given by an advertisement published in that newspaper; or
- (c) prepaid post (airmail, if posted from a place outside Australia) or delivery by facsimile to the address or facsimile address, as the case may be, of the Noteholder as shown in the Register at the close of business three Business Days prior to the dispatch of the notice or communication).

18.2 To the Issuer and the Agents

All notices and other communications to the Issuer or an Agent must be in writing and may be left at the address of, or sent by prepaid post (airmail, if appropriate) to, its respective Specified Office or by facsimile to the facsimile number of the addressee specified:

- (a) in the Information Memorandum; or
- (b) as otherwise agreed between those parties from time to time and notified to the Noteholders.

18.3 Effective on receipt

Unless a later time is specified in it a notice, approval, consent or other communication takes effect from the time it is under Condition 18.4 ("Proof of receipt"), except that if it is received under that Condition after 5.00 pm in the place of receipt or on a non-Business Day in that place, it is to be taken to be received at 9.00 am on the next succeeding Business Day in that place.

18.4 Proof of receipt

Subject to Condition 18.3 ("Effective on receipt"), proof of posting a letter, dispatch of a facsimile or publication of a notice is proof of receipt:

- (a) in the case of a letter, on the third (seventh if outside Australia) day after posting;
- (b) in the case of a facsimile, on receipt by the sender of a successful transmission report; and
- (c) in the case of publication in a newspaper, on the date of such publication.

19 Substitution of the Issuer

19.1 Substitution

The Issuer may with respect to Notes of any Series ("**Relevant Notes**") without the consent of any Noteholder, substitute for itself any Related Entity incorporated in any country in the world as the debtor in respect of the Relevant Notes ("**Substituted Issuer**") upon notice by the Issuer and the Substituted Issuer to be given in accordance with Condition 18 ("Notices"), provided that:

- (a) the Issuer and the Substituted Issuer have entered into such documents ("**Documents**") as are necessary to give effect to the substitution and in which the Substituted Issuer has undertaken in favour of each Noteholder of the Relevant Notes to be bound by these Conditions, the Agency Agreement and the Deed Poll, as the debtor in respect of such Relevant Notes in place of the Issuer (or of any previous substitute under this Condition 19.1);
- (b) (except where the original Issuer is the Substituted Issuer) an unconditional and irrevocable guarantee is given by the original Issuer on an unsubordinated basis in favour of the Noteholders of the obligations of the Substituted Issuer under these presents and the Notes;
- (c)
 - (i) the Substituted Issuer has obtained all governmental and regulatory approvals and consents necessary for its assumption of liability as principal debtor in respect of the Notes in place of the Issuer (or such previous substitute as aforesaid);

- (ii) the Issuer has obtained all governmental and regulatory approvals and consents necessary for the guarantee to be fully effective as referred to in paragraph (b) above; and
 - (iii) such approvals and consents are at the time of substitution in full force and effect;
- (d) where the Substituted Issuer is incorporated, domiciled or resident in or is otherwise subject generally to the taxing jurisdiction of any territory or any political sub-division thereof or any authority of or in such territory having power to tax (the “**Substituted Territory**”) other than or in addition to the territory, the taxing jurisdiction of which (or to any such authority of or in which) the Issuer is subject generally (the “**Issuer’s Territory**”), the Documents contain an undertaking and/or such other provisions as may be necessary to ensure that each Noteholder of the Relevant Notes has the benefit of an undertaking in terms corresponding to the provisions of Condition 11 (“Taxation”), with, where applicable, the substitution of references to the Issuer’s Territory with references to the Substituted Territory;
- (e) the directors of the Substituted Issuer shall certify to the Registrar and the Noteholders (with the Registrar to hold such certificate) that the Substituted Issuer is solvent at the time at which the substitution is proposed to be effected;
- (f) the Issuer and the Substituted Issuer are each satisfied that the substitution is not materially prejudicial to the interests of the Noteholders;
- (g) each stock exchange or other relevant authority on which the Relevant Notes are listed has confirmed that, following the proposed substitution of the Substituted Issuer, the Relevant Notes will continue to be admitted to listing, trading and/or quotation by the stock exchange or other relevant authority on which the Relevant Notes are listed; and
- (h) if applicable, the Substituted Issuer has appointed a process agent in New South Wales as its agent to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Documents and the Relevant Notes.

19.2 Substituted Issuer’s rights

Upon such substitution the Substituted Issuer shall succeed to, and be substituted for, and may exercise every right and power, of the Issuer under the Relevant Notes, the Agency Agreement, the Deed Poll with the same effect as if the Substituted Issuer had been named as the Issuer in them, and the Issuer shall be released from its obligations under the Relevant Notes, the Agency Agreement and the Deed Poll.

19.3 Further substitutions

After a substitution pursuant to Condition 19.1 (“Substitution”), the Substituted Issuer may, without the consent of any Noteholder, effect a further substitution. All the provisions specified in Condition 19.1 (“Substitution”) and Condition 19.2 (“Substituted Issuer’s rights”) shall apply mutatis mutandis, and references in these Conditions to the Issuer are taken, where the context so requires, to be or include references to any such further Substituted Issuer.

19.4 Reversing substitution

After a substitution pursuant to Condition 19.1 (“Substitution”) and Condition 19.2 (“Substituted Issuer’s rights”) any Substituted Issuer may, without the consent of any Noteholder, reverse the substitution, mutatis mutandis.

20 Governing law, jurisdiction and service of process

20.1 Governing law

The Notes are governed by, and shall be construed in accordance with, the law in force in New South Wales, Australia except that Condition 4 (“Status and ranking”) is governed by, and shall be construed in accordance with, the law in force in the Kingdom of Sweden.

20.2 Jurisdiction

The Issuer irrevocably and unconditionally submits, and each Noteholder is taken to have submitted, to the non-exclusive jurisdiction of the courts of New South Wales and courts of appeal from them. The Issuer waives any right it has to object to any suit, action or proceedings (“**Proceedings**”) being brought in those courts including by claiming that the Proceedings have been brought in an inconvenient forum or that those courts do not have jurisdiction.

20.3 Serving documents

Without preventing any other method of service, any document in any Proceedings may be served on the Issuer by being delivered or left with its process agent referred to in Condition 20.4 (“Agent for service of process”).

20.4 Agent for service of process

For so long as any of the Notes issued by it are outstanding, the Issuer will ensure that there is an agent appointed to accept service of process on its behalf in New South Wales, Australia in respect of any Proceedings as may be brought in the courts of New South Wales, Australia or the Federal Courts of Australia.

The Issuer appoints Dabserv Corporate Services Pty Ltd (ABN 73 001 824 111) of Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney, New South Wales, 2000, Australia as its agent to receive any document referred to in Condition 20.3 (“Serving documents”). If for any reason that person ceases to be able to act as such, the Issuer will immediately appoint another person with an office located in New South Wales to act as its agent to receive any such document and will promptly notify the Registrar and the Noteholders of such appointment.

Form of Pricing Supplement

The Pricing Supplement to be issued in respect of each Tranche of Notes will be substantially in the form set out below.

Series No.: [●]

Tranche No.: [●]



Swedbank AB (publ)

(incorporated in Sweden with limited liability)

A\$10,000,000,000

Australian Debt Issuance Programme

Issue of

[A\$][Aggregate Principal Amount of Notes]

[Title of Notes] due [●] ("Notes")

The date of this Pricing Supplement is [●].

This Pricing Supplement (as referred to in the Information Memorandum dated [●] ("**Information Memorandum**") in relation to the above Programme) relates to the Tranche of Notes referred to above. It is supplementary to, and should be read in conjunction with, the terms and conditions of the Notes contained in the Information Memorandum ("**Conditions**"), the Information Memorandum and the Note Deed Poll dated [●] made by the Issuer.

Unless otherwise indicated, terms defined in the Conditions have the same meaning in this Pricing Supplement.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

*The Issuer is neither a bank nor an authorised deposit-taking institution which is authorised under the Banking Act 1959 of Australia ("**Banking Act**"). The Notes are not obligations of any government and, in particular, are not guaranteed by the Commonwealth of Australia. An investment in any Notes will not be covered by the depositor protection provisions in section 13A of the Banking Act and will not be covered by the Australian Government's bank deposit guarantee (also commonly referred to as the Financial Claims Scheme). Notes that are offered for issue or sale or transferred in, or into, Australia are offered only in circumstances that would not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia and issued and transferred in compliance with the terms of the exemption from compliance with section 66 of the Banking Act that is available to the*

Issuer. Such Notes are issued or transferred in, or into, Australia in parcels of not less than A\$500,000 in aggregate principal amount.

The particulars to be specified in relation to the Tranche of Notes referred to above are as follows:

| | | | |
|----|--|---|--|
| 1 | Issuer | : | Swedbank AB (publ) |
| 2 | Type of Notes | : | [Fixed Rate Notes / Floating Rate Notes / Zero Coupon Notes / Structured Notes / <i>specify other</i>] |
| 3 | Method of Distribution | : | [Private / Syndicated] Issue |
| 4 | Lead Manager[s] | : | [<i>Specify</i>] |
| 5 | Dealer[s] | : | [<i>Specify</i>] |
| 6 | Registrar | : | [[●] (ABN [●]) / <i>specify other</i>] |
| 7 | Issuing and Paying Agent | : | [[●] (ABN [●]) / <i>specify other</i>] |
| 8 | Calculation Agent | : | [[●] (ABN [●]) / <i>specify other</i>] |
| 9 | Series Particulars (Fungibility with other Tranches) | : | [Not Applicable / <i>specify if Tranche is to form a single Series with an existing Series, specify date on which all Notes of the Series become fungible (if no specific future date, specify the Issue Date)</i>] |
| 10 | Principal Amount of Tranche | : | [<i>Specify</i>] |
| 11 | Issue Date | : | [<i>Specify</i>] |
| 12 | Issue Price | : | [<i>Specify</i>] |
| 13 | Currency | : | [A\$ / <i>specify other</i>] |
| 14 | Denomination[s] | : | [<i>Specify</i>] |
| 15 | Maturity Date | : | [<i>Specify (in the case of an amortising Notes, insert the date on which the last instalment of principal is payable)</i>] |
| 16 | Record Date | : | [As per the Conditions / <i>specify other</i>] |
| 17 | Condition 6 (Fixed Rate Notes) applies | : | [Yes / No] [If "No", delete following Fixed Rate provisions] |
| | Fixed Coupon Amount | : | [<i>Specify</i>] |
| | Interest Rate | : | [<i>Specify</i>] |
| | Interest Commencement Date | : | [Issue Date / <i>specify</i>] |
| | Interest Payment Dates | : | [<i>Specify</i>] |
| | Business Day Convention | : | [Following Business Day Convention / Preceding Business Day Convention / No Adjustment / <i>specify other</i>] |

| | | | |
|----|--|---|---|
| | Day Count Fraction | : | [Specify] |
| 18 | Condition 7 (Floating Rate Notes) applies | : | [Yes / No] [If "No", delete following Floating Rate provisions] |
| | Interest Commencement Date | : | [Issue Date / specify] |
| | Interest Rate | : | [Specify method of calculation] |
| | Interest Payment Dates | : | [Specify dates or the Specified Period] |
| | Business Day Convention | : | [Floating Rate Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention / No Adjustment / specify other] |
| | Margin | : | [Specify (state if positive or negative)] |
| | Day Count Fraction | : | [Specify] |
| | Fallback Interest Rate | : | [Specify / Not Applicable] |
| | Interest Rate Determination | : | [ISDA Determination / Screen Rate Determination / BBSW Rate Determination] |
| | <i>[If ISDA Determination applies, specify the following (otherwise delete provisions)]</i> | | |
| | Floating Rate Option | : | [Specify] |
| | Designated Maturity | : | [Specify] |
| | Reset Date | : | [Specify] |
| | <i>[If Screen Rate Determination applies, specify the following (otherwise delete provisions)]</i> | | |
| | Relevant Screen Page | : | [Specify] |
| | Relevant Time | : | [Specify] |
| | Reference Rate | : | [Specify] |
| | Reference Banks | : | [Specify] |
| | Interest Determination Date | : | [Specify] |
| | <i>[If BBSW Rate Determination applies, specify the following (otherwise delete provision)]</i> | | |
| | BBSW Rate | : | [As per Condition 7.6 / specify any variation to the Conditions] |
| | Maximum and Minimum Interest Rate | : | [Specify / Not Applicable] |

| | | | |
|----|--|---|--|
| | Default Rate | : | <i>[Specify (In the case of interest-bearing Notes, specify rate of interest applying to overdue amounts (if different to usual Interest Rate))]</i> |
| | Rounding | : | <i>[As per Condition 8.6 / specify]</i> |
| | Relevant Financial Centre | : | <i>[Applicable / Not Applicable]</i> |
| | Linear Interpolation | : | <i>[Applicable / Not Applicable] [If applicable, provide details]</i> |
| 19 | Amortisation Yield | : | <i>[Specify (in the case of Zero Coupon Notes, specify the Reference Price)]</i> |
| 20 | Details of Partly Paid Notes | : | <i>[Specify details / Not Applicable]</i> |
| 21 | Details of Zero Coupon Notes | : | <i>[Specify details / Not Applicable]</i> |
| | | | <i>[If "Not Applicable", delete following Zero Coupon provisions]</i> |
| | Amortisation Yield | : | <i>[Specify (in the case of Zero Coupon Notes, specify the Reference Price)]</i> |
| 22 | Condition 9.4 (Noteholder put) applies | : | <i>[Yes, the Notes redeemable before their Maturity Date at the option of the Noteholders under Condition 9.4 (Noteholder put)/ No]</i> |
| | | | <i>[If "No", delete following Noteholder put provisions]</i> |
| | Early Redemption Date(s) (Put) | : | <i>[Specify]</i> |
| | Minimum / maximum notice period for exercise of Noteholder put | : | <i>[Specify]</i> |
| | Relevant conditions to exercise of Noteholder put | : | <i>[Specify]</i> |
| | Redemption Amount | : | <i>[Specify]</i> |
| 23 | Condition 9.5 (Issuer call) applies | : | <i>[Yes, the Notes redeemable before their Maturity Date at the option of the Issuer / No]</i> |
| | | | <i>[If "No", delete following Issuer call provisions]</i> |
| | Early Redemption Date(s) (Call) | : | <i>[Specify]</i> |
| | Minimum / maximum notice period for exercise of Issuer call | : | <i>[Specify]</i> |
| | Relevant conditions to exercise of Issuer call | : | <i>[Specify]</i> |
| | Redemption Amount | : | <i>[Specify]</i> |
| 24 | Minimum / maximum notice period for early redemption for taxation purposes | : | <i>[As per Condition 9.3 / specify]</i> |

- 25 Additional Conditions : [*Specify any Conditions to be altered, varied, deleted otherwise than as provided above and also any additional Conditions to be included*]
- 26 Clearing System[s] : [*Austraclear System / specify others*]
- 27 ISIN : [*Specify*]
- 28 [Common Code] : [*Specify*]
- 29 [Selling Restrictions] : [*Specify any variation to the selling restrictions set out in the Information Memorandum*]
- 30 Listing : [*Not Applicable / Australian Securities Exchange / specify details of other relevant stock or securities exchange*]
- 31 [Credit ratings] : [*Specify*]

A credit rating is not a recommendation to buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or Chapter 7 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Pricing Supplement and anyone who receives this Pricing Supplement must not distribute it to any person who is not entitled to receive it.]

- 32 [Additional Information] : [*Specify*]

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

CONFIRMED

For and on behalf of

Swedbank AB (publ)

By:

Date:

.....

Selling Restrictions

*Under the Dealer Agreement dated 28 August 2015 between the Issuer, the Arranger and the Dealer (as amended and supplemented from time to time, the “**Dealer Agreement**”) and subject to the Conditions contained in the Information Memorandum, the Notes will be offered by the Issuer through the Dealer. The Issuer has the sole right to accept any offer to purchase Notes and may reject that offer in whole or (subject to the terms of the offer) in part. Each Dealer has the right to reject any offer to purchase Notes made to it in whole or (subject to the terms of such offer) in part. The Issuer is entitled under the Dealer Agreement to appoint one or more financial institutions as a Dealer for a particular Tranche of Notes or the Programme generally. At the time of any appointment, each such financial institution will be required to represent and agree to the selling restrictions applicable at that time.*

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree to comply with any applicable law or directive in any jurisdiction in which it subscribes for, offers, sells or transfers Notes and that it will not, directly or indirectly, subscribe for, offer, sell or transfer Notes or distribute any Information Memorandum or other offering material in relation to the Notes, in any jurisdiction, except in accordance with these selling restrictions, any additional restrictions which are set out in the Pricing Supplement and any applicable law or directive of that jurisdiction.

None of the Issuer, the Arranger or any Dealer has represented that any Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or in accordance with any available exemption, or assumes any responsibility for facilitating that sale.

The following selling restrictions apply:

1 General

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Information Memorandum or any other offering material in any country or jurisdiction where action for that purpose is required.

Persons into whose hands this Information Memorandum comes are required by the Issuer, the Arranger and the Dealer to comply with all applicable laws and directives in each country or jurisdiction in which they purchase, offer, sell, resell, reoffer or deliver Notes or have in their possession or distribute or publish the Information Memorandum or other offering material and to obtain any authorisation, consent, approval or permission required by them for the purchase, offer, sale, reoffer, resale or delivery by them of any Notes under any applicable law or directive in force in any jurisdiction to which they are subject or in which they make such purchases, offers, sales, reoffers, resales or deliveries, in all cases at their own expense, and neither the Issuer nor the Arranger or any Dealer has responsibility for such matters. In accordance with the above, any Notes purchased by any person which it wishes to offer for sale or resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further prospectus or corresponding document relating to the Notes in such jurisdiction.

In particular, there are restrictions on the distribution of this Information Memorandum and the offer or sale of Notes in Australia, the United Kingdom, the United States of America, Hong Kong, Japan, Singapore and the European Economic Area as set out below.

2 Australia

No prospectus or other disclosure document (as defined in the Corporations Act) in relation to the Programme or any Notes has been, or will be, lodged with ASIC. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that unless the relevant Pricing Supplement (or another supplement to any Information Memorandum) otherwise provides, it:

- (a) has not made or invited, and will not make or invite, an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any Information Memorandum or any other offering material or advertisement relating to any Notes in Australia,

unless:

- (i) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in an alternate currency, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation does not otherwise require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act;
- (ii) the offer or invitation does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act;
- (iv) such action complies with any applicable laws and directives in Australia; and
- (v) such action does not require any document to be lodged with ASIC.

In addition, each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will comply with the directive issued by the Assistant Treasurer of the Commonwealth of Australia dated 23rd September, 1996 as contained in Banking (Exemption) Order No. 82 which requires all offers and transfers to be in parcels of not less than A\$500,000 in aggregate principal amount. Banking (Exemption) Order No. 82 does not apply to transfers which occur outside Australia.

3 The United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (UK) (“**FSMA**”)) received by it in connection with the issue or sale of such Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

4 The United States of America

The Notes have not been and will not be registered under the Securities Act.

Terms used in the following paragraphs have the meanings given to them by Regulation S under the Securities Act (“**Regulation S**”).

The Notes may not be offered, sold, delivered or transferred within the United States of America, its territories or possessions or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or in transactions exempt from the registration requirements of the Securities Act.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, except as permitted under the Dealer Agreement, it will not offer, sell or deliver the Notes:

- (a) as part of their distribution at any time; and
- (b) otherwise until 40 days after completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the Lead Manager,

within the United States of America or to, or for the account or benefit of, U.S. persons.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will have sent to each distributor to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States of America or to, or for the account or benefit of, U.S. persons.

Until 40 days after the completion of the distribution of all Notes of the Tranche of which those Notes are a part, an offer or sale of Notes within the United States of America by any Dealer or other distributor (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an applicable exemption from registration under the Securities Act.

5 Hong Kong

The Notes have not been authorised by the Hong Kong Securities and Futures Commission.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that unless an applicable Pricing Supplement (or another supplement to this Information Memorandum) otherwise provides:

- (a) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes other than:
 - (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) (as amended) of Hong Kong ("SFO") and any rules made under the SFO; or
 - (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) (as amended) of Hong Kong ("CO") or which do not constitute an offer to the public within the meaning of the CO; and
- (b) unless it is a person permitted to do so under the applicable securities laws of Hong Kong, it has not issued, or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, (in each case whether in Hong Kong or elsewhere) any advertisement, invitation, other offering material or other document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO.

6 Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and**

Exchange Act") and, accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, any Notes directly or indirectly in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, directives and ministerial guidelines of Japan.

7 Singapore

This Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore, as amended ("**Securities and Futures Act**").

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless an applicable Pricing Supplement (or another supplement to this Information Memorandum) otherwise provides, the Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes has not been and will not be circulated or distributed by it nor have the Notes been, nor will the Notes be, offered or sold by it, or be subject to an invitation for subscription or purchase by it, whether directly or indirectly, to persons in Singapore other than:

- (a) to an institutional investor under Section 274 of the Securities and Futures Act;
- (b) to a relevant person pursuant to Section 275(1) of the Securities and Futures Act, or any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act; or
- (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

- (1) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (2) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

that securities (as defined in Section 239(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the Securities and Futures Act except:

- (i) to an institutional investor (under Section 274 of the Securities and Futures Act) or to a relevant person (as defined in Section 275(2) of the Securities and Futures Act) and in accordance with the conditions specified in Section 275 of the Securities and Futures Act;
- (ii) (in the case of a corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the Securities and Futures Act or (in the case of a trust) where

the transfer arises from an offer referred to in Section 276(4)(i)(B) of the Securities and Futures Act;

- (iii) where no consideration is, or will be, given for the transfer;
- (iv) where the transfer is by operation of law;
- (v) as specified in Section 276(7) of the Securities and Futures Act; or
- (vi) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

8 Public offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area (“**EEA State**”) which has implemented the Prospectus Directive (each, a “**Relevant EEA State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant EEA State (“**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the Pricing Supplement in relation thereto to the public in that Relevant EEA State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant EEA State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealer nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant EEA State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Relevant EEA State by any measure implementing the Prospectus Directive in that Relevant EEA State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant EEA State.

9 Variation

These selling restrictions may be amended, varied, replaced or otherwise updated from time to time in accordance with the Dealer Agreement. Any change may be set out in a Pricing Supplement or in another supplement to this Information Memorandum.

Taxation

Australian Taxation

The following is a summary of the Australian taxation treatment, at the date of this Information Memorandum, of the Notes to be issued by the Issuer under the Programme and certain other matters. It is a general guide and should be treated with appropriate caution. Prospective holders of Notes who are in any doubt as to their tax position should consult their professional advisers on the tax implications of an investment in the Notes for their particular circumstances.

1. Interest withholding tax

So long as the Issuer continues to be a non-resident of Australia and the Notes issued by it are not attributable to a permanent establishment of the Issuer in Australia, payments of principal and interest made under Notes issued by it should not be subject to Australian interest withholding tax.

2. Other tax matters

Under Australian laws as presently in effect:

- (a) *death duties* - no Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death;
- (b) *stamp duty and other taxes* - no *ad valorem* stamp, issue, registration or similar taxes are payable in any Australian State or Territory on the issue or transfer of any Notes;
- (c) *other withholding taxes on payments in respect of Notes* - so long as the Issuer continues to be a non-resident of Australia and does not carry on business at or through a permanent establishment in Australia, the tax file number requirements of Part VA of the Income Tax Assessment Act 1936 of Australia and section 12-140 of Schedule 1 to the Taxation Administration Act 1953 of Australia ("**Taxation Administration Act**") should not apply to the Issuer;
- (d) *supply withholding tax* - payments in respect of the Notes can be made free and clear of the "supply withholding tax" imposed under section 12-190 of Schedule 1 to the Taxation Administration Act; and
- (e) *goods and services tax ("GST")* - neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply on which no GST is payable, a GST-free supply or a non-taxable supply. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal of the Notes, would give rise to any GST liability in Australia.

Swedish Taxation

The following is a general summary of the Issuer's understanding of current law and practice in Sweden. They relate only to the position of person who are the absolute beneficial owners of the Notes. They may not apply to certain classes of person such as dealers. It does not purport to be a complete summary of Swedish tax law and practice currently applicable and does not constitute legal or tax advice. All prospective investors in the Notes are advised to consult their own tax advisers with respect to the tax consequences under the tax laws of the country in which they are resident, of the purchase, ownership or disposition of the Notes or any interest therein. It should be noted that the tax laws of the Kingdom of Sweden may be amended with retroactive effect.

Under Swedish law as presently in effect, payments of any principal or any amount that is considered to be interest for Swedish tax purposes to the holder of any Note will not be subject to Swedish income tax, provided that such holder is neither (i) resident in Sweden for tax purposes nor (ii) engaged in trade or business in Sweden through a permanent establishment to which the Notes are effectively connected.

Swedish law, as presently in effect, does not provide for deduction or withholding for or on account of taxes on payments of any principal or interest to the holder of any Notes, except on payment of interest, and any other yield on any Notes which is paid at the same time as interest, to a holder of Notes who is a private individual (or an estate of a deceased individual) with tax residence in Sweden.

EU Savings Directive

Under the Savings Directive, Member States are required to provide to the tax authorities of other Member States details of certain payments of interest or similar income paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or certain limited types of entities established in another Member State.

For a transitional period, Austria is required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments. The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-European Union countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 24 March 2014, the Council of the European Union adopted the Amending Directive amending and broadening the scope of the requirements described above. The Amending Directive requires Member States to apply these new requirements from 1 January 2017, and if they were to take effect the changes would expand the range of payments covered by the Savings Directive, in particular to include additional types of income payable on securities. They would also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported or subject to withholding. This approach would apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

However, the European Commission has proposed the repeal of the Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to on-going requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive. Investors who are in any doubt as to their position should consult their professional advisers.

Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") impose a new due diligence and reporting regime and potentially a 30% withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a "foreign financial institution", or "FFI" (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "**United States account**" of the Issuer (a "**Recalcitrant Holder**"). The Issuer may be classified as an FFI.

The new withholding regime is now in effect for certain payments from sources within the United States and will apply to “foreign passthru payments” (a term not yet defined) no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued after the “grandfathering date”, which is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified after the grandfathering date and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued on or before the grandfathering date, and additional Notes of the same series are issued after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have entered into intergovernmental agreements to facilitate the implementation of FATCA (each, an “IGA”). Pursuant to FATCA and the “Model 1” and “Model 2” IGAs released by the United States, an FFI in an IGA signatory country could be treated as a “Reporting FI” not subject to withholding under FATCA on any payments it receives. Further, an FFI in an IGA jurisdiction generally would not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being “**FATCA Withholding**”) from payments it makes. Under each Model IGA, a Reporting FI would still be required to undertake due diligence and report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and Sweden have entered into an agreement (the “**U.S.-Sweden IGA**”) based largely on the Model 1 IGA.

If the Issuer is treated as a Reporting FI pursuant to the U.S.-Sweden IGA it does not anticipate that it will be obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that the Issuer will be treated as a Reporting FI, or that it would in the future not be required to deduct FATCA Withholding from payments it makes. FATCA Withholding by the Issuer and financial institutions through which payments on the Notes are made may be required if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

Whilst the Notes are in held in the Austraclear System, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer or any paying agent, given that each of the entities in the payment chain between the Issuer and the participants in the Austraclear System is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may be taken out of the Austraclear System. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, removal of the Notes from the Austraclear System is only likely in remote circumstances.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

The proposed financial transactions tax (“FTT”)

On 14 February 2013, the European Commission published a proposal (the “**Commission's Proposal**”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”).

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

A joint statement issued in May 2014 by ten of the eleven participating Member States indicated an intention to implement the FTT progressively, such that it would initially apply to shares and certain derivatives, with this initial implementation occurring by 1 January 2016.

The FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

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