

## TERMS AND CONDITIONS OF THE SUSTAINABILITY-LINKED CAPITAL SECURITIES

### ELTEL AB (PUBL) EUR 25,000,000 SUSTAINABILITY-LINKED CAPITAL SECURITIES

ISIN SE0019914250

#### MiFID II product governance / Retail clients, professional clients and eligible counterparties target market

Solely for the purposes of each manufacturer's product governance requirements set forth in Directive 2014/65/EU (as amended, "**MiFID II**"), the target market assessment made by the manufacturers in respect of the Capital Securities has led to the conclusion that: (1) the target market for the Capital Securities is clients that are eligible counterparties, professional clients and retail clients, each as defined in MiFID II, who are (a) informed investors, having (i) average knowledge of the relevant financial products (an informed investor can make an informed investment decision based on the offering documentation, together with knowledge and understanding of the specific risk factors/risks highlighted with them only) or (ii) some financial industry experience, and (b) advanced investors having one, or more, of the following characteristics, (i) good knowledge of relevant financial products and transactions or (ii) financial industry experience or accompanied by professional investment advice or included in a discretionary portfolio service, (c) clients that have the ability to tie money up for a perpetual instrument and bear losses of up to 100 per cent of the capital invested in the product, and who have the financial ability and willingness to put the entire capital invested at risk, are willing to take more risk than deposit savings and do not need a fully guaranteed income or return profile and (d) clients whose investment objective is to generate growth of the invested capital and have a medium or long-term investment horizon; (2) all channels for distribution of the Capital Securities to eligible counterparties and professional clients are appropriate; and (3) the following channels for distribution of the Capital Securities to retail clients are appropriate: investment advice, portfolio management, and non-advised sales and pure execution services, subject to the distributor's (as defined below) suitability and appropriateness obligations under MiFID II, as applicable. Any person subsequently offering, selling or recommending the Capital Securities (a "**distributor**") should take into consideration the manufacturers' target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Capital Securities (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.

Furthermore, the manufacturers have made an assessment as to the negative target market and concluded that the negative target market for the Capital Securities is clients that seek full capital protection or full repayment of the amount invested, are fully risk averse/have no risk tolerance.

**Important – EEA retail investors** – The Capital Securities are not PRIIPs for the purposes of Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") and, accordingly, no key information document pursuant to the PRIIPs Regulation has been or will be made available in respect of the Capital Securities.

**Prohibition of sales to UK Retail Investors** – The Capital Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA which were relied on immediately before exit day to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

#### Selling Restrictions

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

#### Privacy Notice

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

The personal data collected will be processed by the Issuer and the Issuing Agent for the following purposes:

- (a) to exercise their respective rights and fulfil their respective obligations under the terms and conditions;
- (b) to manage the administration of the Capital Securities and payments under the Capital Securities;
- (c) to enable the Holders' to exercise their rights under the terms and conditions; and
- (d) to comply with their obligations under applicable laws and regulations.

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

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

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

The Issuer's and the Issuing Agent's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites [www.eltelgroup.com](http://www.eltelgroup.com) and [www.nordea.com](http://www.nordea.com).

## 1. DEFINITIONS AND INTERPRETATIONS

### 1.1 Definitions

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

“**Accounting Event**” means the receipt by the Issuer of an opinion of an authorised accountant (Sw. *auktoriserad revisor*) from a well-reputed accounting firm in Sweden (experienced in such matters) to the effect that, as a result of a change in the Accounting Principles or interpretation thereof (whether or not such interpretation applies generally or specifically to the Issuer or not), the accounting treatment of the Capital Securities as “equity” in full in the Issuer’s financial statements (either on a solo or group level) has or will cease.

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

“**Accrued Interest**” means interest (including Deferred Interest) accrued from the immediately preceding Interest Payment Date on which interest (including Deferred Interest) was paid or, if none, the Issue Date, to the Redemption Date.

“**Additional Amounts**” shall have the meaning ascribed to it in Clause 10 (*Taxation*).

“**Adjusted Nominal Amount**” means the total outstanding Nominal Amounts of the Capital Securities not held by the Issuer or any Subsidiary from time to time.

“**Adjustment Spread**” means either a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the Issuer, following consultation with the Independent Advisor and acting in good faith, determines should be applied to the relevant Replacement Benchmark, as a result of the replacement of the relevant Screen Rate by the relevant Replacement Benchmark following a Screen Rate Replacement Event, and is the spread, formula or methodology which (i) is recommended or provided as an option to relevant parties by the Relevant Nominating Body in relation to replacement of the relevant Screen Rate with the Replacement Benchmark or (ii) in the case of a Replacement Benchmark for which no such recommendation has been made, or option provided, the spread, formula or methodology which the Issuer in consultation with the Independent Adviser and acting in good faith, determines to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to Holders as a result of the replacement of the Screen Rate with the Replacement Benchmark.

“**Business Day**” means a day (other than a Saturday or Sunday, Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year’s Eve (Sw. *nyårsafton*)) on which commercial banks and foreign exchange markets are generally open to settle payments in Sweden.

“**Capital Security**” means debt instruments (Sw. *skuldförbindelser*), each for the Nominal Amount and of the type set forth in Chapter 1 Section 3 of the Central Securities Depositories and Financial Instruments Accounts Act, issued by the Issuer and governed by these Terms and Conditions.

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

“**Change of Control**” means the occurrence of an event or series of events whereby any Person or a group of Persons acting in concert, directly or indirectly acquires control over the Issuer and where “control” means (a) acquiring ownership of more than 50 per cent of the voting share capital of the Issuer or (b) becoming capable of appointing the majority of the board of directors of the Issuer, and “acting in concert” means that a person or a group of persons pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition by any of them, either directly or indirectly, of shares in the Issuer or attempting otherwise to obtain or consolidate control of the Issuer.

“**CSD**” means Euroclear Sweden AB reg. no. 556112-8074 (or any of its successor or replacement), in which the Capital Securities are cleared and registered from time to time.

“**CSD Regulations**” means the laws, regulations and operating procedures applicable to and/or issued by the CSD’s from time to time.

“**Debt Register**” means the debt register (Sw. *skuldbok*) kept by the CSD in respect of the Capital Securities in which an owner of Capital Securities is directly registered or an owner’s holding of Capital Securities is registered in the name of a nominee.

“**Deferred Interest**” shall have the meaning ascribed to it in Clause 7.1 (*Cumulative Optional Interest Deferral and Optional Payment*).

**“Deferred Interest Payment Event”** means, in relation to the Capital Securities, any one or more of the following events:

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

save for:

- (i) in each case, any compulsory distribution, dividend, other payment, redemption, repurchase, repayment, cancellation, reduction or other acquisition required by the terms of such securities or by mandatory operation of applicable law;
- (ii) in each case, any declaration or payment of any distribution or dividend or any other payment made by the Issuer on its share capital, which is made by reason of a claim (in accordance with the Swedish Companies Act (Sw. *aktiebolagslagen* (2005:551)) by shareholder(s) owning not less than ten (10) per cent of the shares in the Issuer; and
- (iii) in the case of paragraph (c) above only, any redemption, repurchase, repayment, cancellation, reduction or other acquisition that is executed in connection with, or for the purpose of:
  - (1) any reduction of the quota value (Sw. *kvotvärde*) of the share capital of the Issuer without a corresponding return of cash, capital or assets to shareholders of the Issuer; or
  - (2) any share buyback programme then in force and duly approved by the shareholders' general meeting of the Issuer or the relevant Subsidiary of the Issuer (as applicable) or any existing or future stock option plan or free share allocation plan or other incentive plan, in all cases, reserved for directors, officers and/or employees of the Issuer or the relevant Subsidiary of the Issuer or any associated hedging transaction.

**“EUR”, “euro” and “€”** means the single currency of the member states of the European Union that adopts or has adopted, and in each case continues to adopt, the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

**“EURIBOR”** means:

- (a) the interest rate which, as of approximately 11.00 a.m. (Brussels time) (the **“Relevant Time”**) on the applicable Interest Determination Date, is displayed on Thomson Reuters' page EURIBOR01 (or any other system or other page which replaces such system or page); or
- (b) if the relevant rate does not temporarily appear, in each case as determined by the Issuing Agent (but no Screen Rate Replacement Event has occurred), the Issuing Agent will request appropriate quotations and will determine the arithmetic mean of the rates at which deposits in EUR are offered by four major European commercial banks' (as determined by the Issuing Agent) in the relevant interbank market at approximately the Relevant Time on the first day of the relevant Interest Period to prime banks in the relevant interbank market in each such case for a period of the duration of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the relevant time or, if fewer than two rates are so quoted, the Issuing Agent will determine the arithmetic mean of the rates quoted by European commercial banks (as determined by the Issuing Agent) in the relevant interbank market at approximately the Relevant Time on the first day of the relevant Interest Period for loans in EUR to leading European banks for a period of the duration of the relevant Interest Period and in an amount that is representative for a single transaction in the relevant market at the relevant time.

**“Extraordinary Resolution”** shall have the meaning ascribed to it in Clause 15 (*Holders' Meeting and Written Procedure*).

**“Fixed Day Count Fraction”** means, in respect of an Interest Period, the number of days in the Interest Period (such number of days being calculated on the basis of a year of 360 days with twelve 30-day months) divided by 360.

**“Fixed Interest Rate”** means, in relation to each Interest Period from, but excluding, the Issue Date to and including the Reset Date, 13.500 per cent per annum.

**“Floating Day Count Fraction”** means, in relation to a specific Interest Period, the actual number of days in that Interest Period divided by 360.

**“Floating Interest Rate”** means, in relation to each Interest Period commencing on or after the Reset Date, a percentage rate per annum which is the aggregate of 3-month Screen Rate and a margin equal to the aggregate of the Re-Offer Spread and 5.00 per cent per annum, provided that if any applicable Floating Interest Rate is below zero, the Floating Interest Rate will be deemed to be zero.

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

**“Holders’ Meeting”** means a meeting of Holders held in accordance with Clause 15 (*Holders’ Meeting and Written Procedure*).

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

**“Interest Determination Date”** means the second Business Day before the commencement of the Interest Period for which the rate will apply.

**“Interest Payment Date”** means, until the Reset Date, 6 July in each year with the first Interest Payment Date being 6 July 2023 and, after the Reset Date, 6 January, 6 April, 6 July and 6 October in each year with the first such Interest Payment Date being 6 October 2026, provided that if any Interest Payment Date should fall on a date which is not a Business Day, it shall be postponed to the next Business Day.

**“Interest Period”** means each period beginning on (but excluding) the Issue Date or any Interest Payment Date and ending on (and including) the next Interest Payment Date or, in respect of the last Interest Period, the Redemption Date (whether or not an Interest Payment Date).

**“Interest Rate”** means the Fixed Interest Rate and/or the Floating Interest Rate (as applicable).

**“Investment Grade Credit Rating”** means the rating assigned to the senior unsecured debt of the Issuer by any Rating Agency that is Baa3, BBB- or its equivalent for the time being or better.

**“Issue Date”** means 6 April 2023.

**“Issue Price”** means 100 per cent.

**“Issuer”** means Eltel AB (publ), a public limited liability company incorporated under the laws of Sweden with reg. no. 556728-6652.

**“Issuer Subordinated Indebtedness”** means any obligation of the Issuer, whether or not having a fixed maturity, which by its terms is, or is expressed to be, subordinated in the event of an Issuer Winding-up to the claims of all unsubordinated creditors of the Issuer, but senior to the Capital Securities or to the obligations of the Issuer in respect of any Parity Securities.

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

**“Issuing Agent”** means Nordea Bank Abp, Filial i Sverige (or any of its successor or assignee), in its capacity as issuer agent with respect to the Capital Securities in relation to the Issuer and, referred to in the CSD Regulations, the CSD.

**“Nominal Amount”** means the nominal amount of each Capital Security, being EUR 20,000.

**“Parity Securities”** means any obligations of:

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

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

**“Rating Agency”** means any of Moody’s Investors Service Limited (or any of its subsidiaries or any successor in business thereto from time to time), S&P Global Ratings Europe Limited (or any of its subsidiaries or any successor in business thereto from time to time), or Fitch Ratings Limited (or any of its subsidiaries or any successor in business thereto from time to time).

**“Redemption Date”** means the date on which the Capital Securities will be redeemed pursuant to these Terms and Conditions.

**“Relevant Nominating Body”** means in respect of a benchmark or screen rate:

- (a) the European Central Bank or any supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate; or
- (b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (i) the European Central Bank, (ii) any central bank or supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate, (iii) a group of the aforementioned central banks or other supervisory authorities or (iv) the Financial Stability Board or any part thereof.

**“Re-Offer Spread”** means 10.290 per cent per annum.

**“Replacement Benchmark”** means the reference rate (and related alternative screen page or source, if available) which is (in the following order):

- (a) formally designated, nominated or recommended as the replacement for a Screen Rate by:
  - (i) the administrator of the Screen Rate in respect of which the Screen Rate Replacement Event has occurred; or
  - (ii) any Relevant Nominating Body,and if replacements have, at the relevant time, been formally designated, nominated or recommended under both sub-sections (i) and (ii), the Replacement Benchmark will be the replacement under sub-section (ii) above;
- (b) in the opinion of the Issuer in consultation with the Issuing Agent, generally accepted in the international or any relevant domestic bond markets as the appropriate successor to a Screen Rate; or
- (c) in the opinion of an Independent Adviser appointed by the Issuer in consultation with the Issuing Agent, an appropriate successor to a Screen Rate.

**“Replacing Capital Event”** means one or more issuances of equity by the Issuer the aggregate proceeds of which (net of commissions) is equal to or greater than the outstanding aggregate amount of the Capital Securities provided that such proceeds have not been used, directly or indirectly, to repurchase or redeem, or make any payments in respect of, any shares or securities of the Issuer which rank *pari passu* with, or junior to, the Capital Securities.

**“Reset Date”** means 6 July 2026.

**“Screen Rate”** means initially EURIBOR, and on, or after any Screen Rate Replacement Date, if any, the Replacement Benchmark plus Adjustment Spread, if applicable.

**“Screen Rate Replacement Date”** means the next Interest Determination Date appearing after:

- (a) the occurrence of a Screen Rate Replacement Event: and
- (b)
  - (i) in case of the change in the methodology, formula or other means of determining the Screen Rate, the publishing of the first quotation of the reformed Screen Rate by the administrator;
  - (ii) in case of discontinuation of publication, or impossibility of use of the Screen Rate, the date on which the quotes in the Screen Rate have ceased to be published by the administrator, or it has become impossible to use the Screen Rate; or

- (iii) in case of absence of approval, authorisation or other decision or in respect of the Screen Rate or the administrator of that Screen Rate, the date on which authorisation, registration, recognition, endorsement, equivalent decision, approval or inclusion in any official register is (i) required under any applicable law or regulation or (ii) rejected, refused, suspended or withdrawn, if the applicable law or regulation provides that that Screen Rate is not permitted to be used following rejection, refusal, suspension or withdrawal.

**“Screen Rate Replacement Event”** means, in relation to a Screen Rate:

- (a) the methodology, formula or other means of determining that Screen Rate has materially changed; or
- (b)
  - (i)
    - (A) the administrator of that Screen Rate or its supervisor publicly announces that such administrator is insolvent; or
    - (B) information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of that Screen Rate is insolvent,  
  
provided that, in each case, at that time, there is no successor administrator to continue to provide that Screen Rate;
  - (ii) the administrator of that Screen Rate publicly announces that it has ceased or will cease, to provide that Screen Rate permanently or indefinitely and, at that time, there is no successor administrator to continue to provide that Screen Rate;
  - (iii) the supervisor of the administrator of that Screen Rate publicly announces that such Screen Rate has been or will be permanently or indefinitely discontinued;
  - (iv) the administrator of that Screen Rate or its supervisor announces that that Screen Rate may no longer be used or use of that Screen Rate will be subject to restrictions or adverse consequences to Holders; or
  - (v) the Issuer determines (in consultation with the Issuing Agent) that any authorisation, registration, recognition, endorsement, equivalent decision, approval or inclusion in any official register in respect of that Screen Rate or the administrator of that Screen Rate has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, with the effect that the Issuer or the Issuing Agent is not, or will not be, permitted under any applicable law or regulation to use that Screen Rate as a benchmark rate.

**“Securities Account”** means the account for dematerialized securities maintained by the CSD pursuant to the Central Securities Depositories and Financial Instruments Accounts Act in which: (a) an owner of such security is directly registered; or (b) an owner’s holding of securities is registered in the name of a nominee.

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

**“TARGET Settlement Day”** means any day on which the real time gross settlement system operated by the Eurosystem (T2) is open.

**“Taxes”** shall have the meaning ascribed to it in Clause 10 (*Taxation*).

**“Tax Event”** means the receipt by the Issuer of an opinion of counsel in Sweden (reputable and experienced in such matters) to the effect that, as a result of (a) any amendment to, clarification of, or change (including any announced prospective change) in, the laws or treaties (or any regulations thereunder) of Sweden affecting taxation, (b) any governmental action or (c) any amendment to, clarification of, or change in the official position or the interpretation of such governmental action or any interpretation or pronouncement that provides for a position with respect to such governmental action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or regulator body, irrespective of the manner in which such amendment, clarification or change is made known, which amendment, clarification or change is effective or such pronouncement or decision is announced on or after the Issue Date, there is a sufficiently certain risk that any interest payments under the Capital

Securities that were, but for such events described in (a) to (c) above would no longer be after such event has or would have taken effect, tax deductible (in whole or in part) by the Issuer for Swedish law tax purposes.

“**Withholding Tax Event**” shall have the meaning ascribed to it in Clause 8.4 (*Redemption due to a Withholding Tax Event*).

“**Written Procedure**” means the written or electronic procedure for decision making among the Holders in accordance with Clause 15 (*Holders’ Meeting and Written Procedure*).

## 1.2 Interpretations

1.2.1 Any reference in these Terms and Conditions to principal or principal amount in respect of the Capital Securities shall be deemed to include:

- (a) any Additional Amounts which may be payable with respect to principal; and
- (b) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Capital Securities.

1.2.2 Any reference in these Terms and Conditions to interest in respect of Capital Securities shall be deemed to include:

- (a) any Deferred Interest (including any interest on Deferred Interest as calculated in accordance with Clause 7.1 (*Cumulative Optional Interest Deferral and Optional Payment*)); and
- (b) any Additional Amounts which may be payable with respect to interest.

1.2.3 Any reference in these Terms and Conditions to bankruptcy, liquidation and company reorganisation shall mean the Swedish law concepts *konkurs*, *likvidation* and *företagsrekonstruktion*, respectively, as such concepts are applied from time to time pursuant to Swedish law.

## 2. THE CAPITAL SECURITIES AND OBLIGATION TO PAY

2.1 The aggregate amount of the Capital Securities (subject to the issue of any further capital securities pursuant to Clause 18 (*Further Issues*)) is EUR 25,000,000 and is represented by the Capital Securities, each in the Nominal Amount. The Capital Securities were offered for subscription in a minimum amount of EUR 100,000. Each Capital Security is freely transferable after it has been registered into the respective Securities Account.

2.2 The Issuer undertakes, pursuant to these Terms and Conditions, to redeem the Capital Securities, to pay interest on the Capital Securities and to otherwise comply with these Terms and Conditions.

## 3. STATUS AND SUBORDINATION

3.1 The Capital Securities, including the obligation to pay interest thereon, constitute direct, general, unconditional, unsecured and subordinated obligations of the Issuer. The rights and claims of the Holders in respect of the Capital Securities against the Issuer are subordinated as described under Clause 3.2.

3.2 In the event of:

- (a) a voluntary or involuntary liquidation (Sw. *likvidation*) or bankruptcy (Sw. *konkurs*) of the Issuer (each an “**Issuer Winding-up**”), the rights and claims (if any) of Holders to payments of the principal amount and any other amounts in respect of the Capital Securities (including any accrued and unpaid interest amount or damages awarded for breach by the Issuer of any obligations under these Terms and Conditions, if any are payable) will rank:

- (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Securities;

- (ii) in priority to all present and future claims in respect of:

the shares of the Issuer; and

any other obligation of the Issuer expressed by its terms as at its original issue date to rank junior to the Capital Securities or any Parity Securities; and

- (iii) junior in right of payment to any present or future claims of:

all unsubordinated obligations of the Issuer; and



all Issuer Subordinated Indebtedness; or

- (b) a company reorganisation of the Issuer under the Swedish Company Reorganisation Act (Sw. *lag (2022:964) om företagsrekonstruktion*), the rights and claims (if any) of Holders to payments of the principal amount and any other amounts in respect of the Capital Securities (including any accrued and unpaid interest amount or damages awarded for breach by the Issuer of any obligations under these Terms and Conditions, if any are payable) will rank:

- (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Securities; and

- (ii) junior in right of payment to any present or future claims of:

all unsubordinated obligations of the Issuer; and

all Issuer Subordinated Indebtedness.

*Claims in respect of the share capital of the Issuer are not subject to loss absorbing measures under a company reorganisation of the Issuer.*

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

#### 4. **REGISTRATION AND ISSUANCE OF CAPITAL SECURITIES**

- 4.1 Capital Securities will be registered for the Holders on their respective Securities Account and no physical notes representing the Capital Securities will be issued. Accordingly, the Capital Securities will be registered in accordance with the Central Securities Depositories and Financial Instruments Accounts Act. Registration requests relating to the Capital Securities shall be directed to an Account Operator.

- 4.2 The Debt Register shall constitute conclusive evidence of the Persons who are Holders and their holdings of Capital Securities.

- 4.3 Any Person who acquires the right to receive payment under a Capital Security through a mandate, assignment, security, regulations in the Code on Parents and Children (Sw. *Föräldrabalken*), conditions in a will or deed of gift or in some other way shall register her or his right in order to receive payment.

#### 5. **USE OF PROCEEDS**

The Issuer shall use the proceeds from the issue of the Capital Securities, less the costs and expenses incurred by the Issuer in connection with issue of the Capital Securities, for refinancing certain existing indebtedness of the Issuer and general corporate purposes.

#### 6. **INTEREST**

##### 6.1 ***Fixed Interest Rate***

From but excluding the Issue Date to and including the Reset Date, the Capital Securities bear interest on their outstanding Nominal Amount at the Fixed Interest Rate, subject to Clause 8.8 (*Change of Control*). Such interest will be payable (subject to the provisions contained in Clause 7.1 (*Cumulative Optional Interest Deferral and Optional Payment*)) annually in arrears on each Interest Payment Date.

Fixed interest payable shall be calculated by applying the Fixed Interest Rate to the Nominal Amount of such Capital Security, multiplying the product by the Fixed Day Count Fraction and rounding the resulting figure to the nearest euro cent (half a cent being rounded upwards).

##### 6.2 ***Floating Interest Rate***

From but excluding the Reset Date to and including the Redemption Date, the Capital Securities bear interest on their outstanding Nominal Amount at the Floating Interest Rate, subject to Clause 8.8 (*Change of Control*). Such interest will be payable (subject to the provisions contained in Clause 7.1 (*Cumulative Optional Interest Deferral and Optional Payment*)) quarterly in arrears on each Interest Payment Date.

Floating interest payable shall be calculated by applying the Floating Interest Rate to the Nominal Amount of such Capital Security, multiplying the product by the Floating Day Count Fraction and rounding the resulting figure to the nearest euro cent (half a cent being rounded upwards).

## **7. INTEREST PAYMENT AND DEFERRAL**

### **7.1 *Cumulative Optional Interest Deferral and Optional Payment***

- 7.1.1 The Issuer may, in its sole discretion but subject to Clauses 7.1.2, 7.1.3 and 7.2, elect to defer any interest payment which would otherwise be due on any Interest Payment Date (in whole or in part). Any interest in respect of any Capital Security due but not paid on an Interest Payment Date shall constitute “**Deferred Interest**”. If there are several amounts of Deferred Interest they shall accumulate until paid in full.

If the Issuer makes only a partial payment of interest on any Interest Payment Date, such amount shall be applied equally to each Capital Security.

- 7.1.2 Each amount of Deferred Interest shall bear interest (as if it constitutes a principal amount) at an Interest Rate which equals the current Interest Rate on the Capital Securities. Deferred Interest shall not be capitalised to the principal amount of the Capital Securities.

- 7.1.3 The Issuer shall:

- (a) if it wishes to elect to defer any interest payment, as soon as practicable and in any event not less than fifteen (15) Business Days prior to the relevant Interest Payment Date; or
- (b) if it wishes to make any payment of Deferred Interest, no later than fifteen (15) Business Days prior to the relevant Deferred Interest Payment Date (as defined below),

in the case of (a), give notice of such election (which shall be irrevocable) or, in the case of (b), give notice of such election and specify the date (which date shall fall on a TARGET Settlement Day) on which such payment shall be made (the “**Deferred Interest Payment Date**”), which notice shall be irrevocable, in each case to the Issuing Agent and the Holders in accordance with Clause 16 (*Notices*).

- 7.1.4 Deferred Interest (including any interest thereon) may be paid, in whole or in part, at any time at the option of the Issuer following delivery of a notice given by the Issuer to the Issuing Agent and the Holders in accordance with paragraph (b) in Clause 7.1.3 above and, following such notice, as further set out in Clause 11 (*Payment of principal and interest*).

### **7.2 *Compulsory interest payment***

- (a) The Issuer shall pay any Deferred Interest (including any interest thereon) in whole but not in part, on:
  - (i) the twentieth (20<sup>th</sup>) Business Day following the date on which a Deferred Interest Payment Event occurs (or, if such day is not a TARGET Settlement Day, the next following TARGET Settlement Day);
  - (ii) any Interest Payment Date in respect of which the Issuer does not elect to defer all of the Interest accrued in respect of the relevant Interest Period; and
  - (iii) the date on which the Capital Securities are redeemed or repaid in accordance with Clause 8 (*Redemption and Purchase*) or Clause 14 (*Enforcement Events*),in each case as further set out in Clause 11 (*Payment of principal and interest*).
- (b) Notice of any Deferred Interest Payment Event shall be given by the Issuer in accordance with Clause 16 (*Notices*) to the Holders and the Issuing Agent within three (3) Business Days of such event.

## **8. REDEMPTION AND PURCHASE**

### **8.1 *No maturity***

The Capital Securities do not have any specified maturity date and may not be called for repayment, repaid or redeemed otherwise than in accordance with these Terms and Conditions.

## 8.2 ***Redemption due to a Tax Event or an Accounting Event***

Upon the occurrence of a Tax Event or an Accounting Event, the Issuer may, if it gives not less than thirty (30) nor more than sixty (60) days' notice to the Issuing Agent and the Holders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem the Capital Securities in whole, but not in part, at any time after the occurrence of the relevant event, at (i) where such redemption occurs before the Reset Date, an amount equal to 101 per cent of their Nominal Amount and (ii) where such redemption occurs on or after the Reset Date, an amount equal to 100 per cent of their Nominal Amount, in each case, together with any Accrued Interest to and including the date of redemption. The notice of redemption referred to above shall be accompanied by a certificate signed by two of the Issuer's authorised signatories that the Tax Event or the Accounting Event has occurred or will occur no more than ninety (90) days following the date fixed for redemption, as the case may be.

## 8.3 ***Redemption due to a Replacing Capital Event***

Upon the occurrence of a Replacing Capital Event, the Issuer may, if it gives not less than thirty (30) nor more than sixty (60) days' notice to the Issuing Agent and the Holders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem the Capital Securities in whole, but not in part, at any time after the occurrence of such event, at (i) where such redemption occurs before the Reset Date, an amount equal to 103 per cent of their Nominal Amount and (ii) where such redemption occurs on or after the Reset Date, an amount equal to 100 per cent of their Nominal Amount, in each case, together with any Accrued Interest to and including the date of redemption. The notice of redemption referred to above shall be accompanied by a certificate signed by two of the Issuer's authorised signatories that the Replacing Capital Event has occurred.

## 8.4 ***Redemption due to a Withholding Tax Event***

8.4.1 Unless notice of redemption has been given pursuant to Clause 8.2 (*Redemption due to a Tax Event or an Accounting Event*) above, the Issuer may, if it gives not less than thirty (30) nor more than sixty (60) days' notice to the Issuing Agent and the Holders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem the Capital Securities in whole, but not in part, at any time, if:

(a) on the occasion of the next or any following payment due under the Capital Securities, the Issuer has or (as evidenced by an opinion of a tax counsel in Sweden (reputable and experienced in such matters) will become obliged to pay Additional Amounts as a result of any change in, or amendment to, the laws or regulations of Sweden or any political subdivision thereof or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; and

(b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

(a "Withholding Tax Event") provided that no such notice of redemption shall be given earlier than ninety (90) days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts in relation to a payment in respect of the Capital Securities then due. The notice of redemption referred to above shall be accompanied by a certificate signed by two of the Issuer's authorised signatories that the Withholding Tax Event has occurred or will occur no more than ninety (90) days following the date fixed for redemption, as the case may be.

8.4.2 Capital Securities redeemed pursuant to this Clause 8.4 will be redeemed at their Nominal Amount, together with any Accrued Interest to and including the date of redemption

## 8.5 ***Redemption at the Option of the Issuer***

The Issuer may, by giving not less than thirty (30) nor more than sixty (60) days' notice to the Issuing Agent and the Holders (which notice shall be irrevocable and shall specify the date fixed for redemption), elect to redeem all outstanding Capital Securities in whole, but not in part on the Reset Date or on any Interest Payment Date thereafter at the amount determined in accordance with Clause 9 (*Sustainability Performance Targets*), together with any Accrued Interest to and including the date of redemption.

## 8.6 ***Clean-up call option***

If at any time the Adjusted Nominal Amount of the Capital Securities is twenty-five (25) per cent or less of the aggregate nominal amount of the Capital Securities issued, the Issuer may, at its option, at any time, by giving not less than fifteen (15) nor more than forty-five (45) days' notice to the Issuing Agent and the Holders (which notice shall be irrevocable and shall specify the date fixed for redemption), elect to redeem all of the outstanding Capital Securities in whole, but not in part at (i) where such redemption occurs before the Reset Date, an amount equal to 101 per cent of their Nominal Amount and (ii) where such redemption occurs on or after the Reset Date, an amount

equal to 100 per cent of their Nominal Amount, in each case, together with any Accrued Interest to and including the date of redemption.

#### 8.7 ***Purchases***

The Issuer or any Subsidiary may at any time purchase Capital Securities in any manner and at any price. If purchases are made by tender, tenders must be available to all Holders alike. The repurchased Capital Securities may be resold or cancelled, subject to Clause 8.10 (*Cancellation of Capital Securities*).

#### 8.8 ***Change of Control***

Upon the occurrence of a Change of Control, the Issuer may, if it gives not less than thirty (30) nor more than sixty (60) days' notice as from the date of such Change of Control to the Issuing Agent and the Holders (which notice shall be irrevocable and shall specify the date fixed for redemption which shall be no later than the date which is six (6) months after the date of the Change of Control), redeem the Capital Securities in whole, but not in part, at an amount equal to 100 per cent of their Nominal Amount, together with any Accrued Interest. Such notice shall also specify the nature of the Change of Control, the circumstances giving rise to it and the date on which it became effective.

If such notice is not published within such sixty (60) days of the Change of Control occurring, the Issuer will notify the Issuing Agent and the Holders, no later than sixty (60) calendar days following the effective Change of Control specifying the nature of the Change of Control, the circumstances giving rise to it and the date on which it became effective.

If, after the occurrence of a Change of Control, the Issuer has not redeemed the Capital Securities within six (6) months after the date of the Change of Control, the Interest Rate applicable to the Capital Securities (including any amount of current or future Deferred Interest) shall, subject to the following paragraph, be increased by an additional margin of 5.00 per cent per annum. This increase shall become effective on the date which is six (6) months after the date of the Change of Control.

The increase in Interest Rate set out in the preceding paragraph shall not be applied if, prior to the date which is six (6) months after the date of the Change of Control, the Issuer has obtained an Investment Grade Credit Rating. The Issuer will notify the Issuing Agent and the Holders not later than ten (10) calendar days after the date which is six (6) months after the date of the Change of Control whether or not it has obtained such an Investment Grade Credit Rating.

#### 8.9 ***Irrevocable Notices and Redemption Process***

Upon the expiry of any notice as referred to in Clauses 8.2 (*Redemption due to a Tax Event or an Accounting Event*), 8.3 (*Redemption due to a Replacing Capital Event*), 8.4 (*Redemption due to a Withholding Tax Event*), 8.5 (*Redemption at the Option of the Issuer*), 8.6 (*Clean-up call option*) and 8.8 (*Change of Control*) above, the Issuer shall be bound to redeem the Capital Securities in accordance with the terms of such Clause.

Upon the redemption of the Capital Securities the Issuer is entitled to have the Capital Securities debited from the relevant Security Accounts without any further consent from the Holders. The Issuer shall be entitled to carry out the redemption in the manner chosen by the Issuer at its sole discretion under the Central Securities Depositories and Financial Instruments Accounts Act and the CSD Regulations.

#### 8.10 ***Cancellation of Capital Securities***

All Capital Securities which are redeemed pursuant to this Clause 8 and all Capital Securities purchased and elected to be cancelled pursuant to Clause 8.7 (*Purchases*) will be cancelled and may not be reissued or sold. The Issuer shall promptly inform the Holders in accordance with Clause 16 (*Notices*) and the Issuing Agent of any such cancellation and for so long as any Capital Securities are admitted to trading on Nasdaq Stockholm and the rules of such exchange so require, the Issuer shall promptly inform Nasdaq Stockholm of the cancellation of any Capital Securities under this Clause 8.10.

### 9. **SUSTAINABILITY PERFORMANCE TARGETS**

If the Capital Securities are redeemed in accordance with Clause 8.5 (*Redemption at the Option of the Issuer*), the Issuer shall on the Redemption Date redeem the Capital Securities at a price equal to:

- (a) 100 per cent of the outstanding principal amount of the Capital Securities if the Issuer has met all of the three thresholds defined under the Sustainability Performance Targets on the Target Observation Date;  
or

- (b) 100 per cent of the outstanding principal amount of the Capital Securities plus the Redemption Premium if the Issuer has not met all of the three thresholds defined under the Sustainability Performance Targets on the Target Observation Date,

in each case, such Sustainability Performance Targets shall be evidenced by the publication of the relevant reports and Verification. In the event the Issuer does not provide and make public such information in its Sustainability Report or by way of a separate Sustainability-Linked Progress Report together with the applicable Verification within 120 days from the Target Observation Date, the price for redemption on the Redemption Date shall be 100 per cent of the outstanding principal amount of the Capital Securities plus the Redemption Premium.

During the validity of the Capital Securities the Issuer shall within 120 days from the beginning of each year publish on its website:

- (a) a Sustainability Report which describes the Issuer's performance in relation to the Sustainability Performance Targets, or alternatively, the Issuer may choose to publish such information under a separate Sustainability-Linked Progress Report; and
- (b) a Verification confirming the Group's performance in relation to the Sustainability Performance Targets.

For the purposes of this Clause 9

**"Redemption Premium"** means the amount calculated by applying the sum of the Premium Rates for the Sustainability Performance Targets not reported or verified by the Issuer within 120 days from the Target Observation Date in accordance with the reporting obligation described above or not met by the Issuer by the Target Observation Date, the aggregate of the Premium Rates being at the maximum 1.20 per cent, to the outstanding principal amount of the Capital Securities, where a **"Premium Rate"** (jointly, the **"Premium Rates"**) is calculated as follows:

*the applicable SPT Weight x 1.20 per cent*

**"SPT Weight"** means (i) 25 per cent in case of SPT 1, (ii) 25 per cent in case of SPT 2 and (iii) 50 per cent in case of SPT 3.

**"Sustainability Performance Targets"** mean (i) the reduction by the Issuer of scope 1 GHG emissions by 19.0 per cent by the end of year 2025 from a baseline year 2021 (the **"SPT 1"**), (ii) the increase of renewable electricity sourcing by the Issuer, accounted for as proportion of renewable electricity purchased within the Issuer's office premises, from 31% to 62% by the end of 2025 compared to 2021 (the **"SPT 2"**) and (iii) ensure that 35% of the Issuer's suppliers by emissions covering the upstream scope 3 categories 1, 2, 4, 5 and 6, will have science-based targets by the end of 2025 (the **"SPT 3"**), in each case as further specified in the Sustainability-Linked Finance Framework.

**"Sustainability-Linked Finance Framework"** means the Issuer's sustainability-linked finance framework adopted by the Issuer in February 2023, establishing the Issuer's key performance indicators and Sustainability Performance Target(s) in line with the ICMA Sustainability-Linked Bond Principles published in June 2020.

**"Sustainability-Linked Progress Report"** means the Issuer's status report on an annual basis during the validity of the Capital Securities and for the Target Observation Date and all relevant information needed to assess whether the performance of the Issuer is meeting the applicable levels set out in the Sustainability-Linked Finance Framework.

**"Sustainability Report"** means the annual report by the Issuer on its general sustainability performance and measures, including inter alia, information needed to assess whether the performance of the Issuer is meeting the applicable levels set out in the Sustainability-Linked Finance Framework for the Target Observation Date unless the Issuer reports such information separately by way of a Sustainability-Linked Progress Report.

**"Target Observation Date"** means 31 December 2025.

**"Verification"** means, a verification by a qualified external reviewer with relevant expertise (such as an auditor or an environmental consultant) appointed by the Issuer, of the performance of the Issuer in relation to the Sustainability Performance Targets.

## 10. TAXATION

All payments payable in respect of the Capital Securities (whether in respect of interest or principal, redemption amount or otherwise) by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**"Taxes"**)

imposed or levied by or on behalf of Sweden or any political subdivision of, or any authority in, or of, Sweden having power to tax, unless the withholding or deduction of the Taxes is required by Swedish law. In that event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the Holders after such withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Capital Securities in the absence of such withholding or deduction (such amounts being “**Additional Amounts**”), except that no Additional Amounts shall be payable in relation to any payment in respect of any Capital Security:

- (a) in Sweden;
- (b) to, or to a third party on behalf of, a Holder who is liable to Taxes in respect of the Capital Security by reason of it having some connection with Sweden other than the holding of the Capital Security;
- (c) presented for payment more than 30 days after the date on which such payment first becomes due and payable, provided that if the full amount of the moneys payable has not been received from the Issuer on or prior to such due date, the first date on which the full amount of such moneys has been so received and notice to that effect shall have been duly given to the Holders in accordance with Clause 16 (*Notices*), except to the extent that the relevant Holder would have been entitled to such Additional Amounts on presenting the same for payment on the expiry of such period of 30 days; or
- (d) to, or to a third party on behalf of, a Holder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority.

## 11. PAYMENTS OF PRINCIPAL AND INTEREST

- 11.1 Any payment of principal, interest and/or other amounts in respect of Capital Securities shall be made to the Holders appearing registered in the book-entry system and register maintained by the CSD on the fifth (5<sup>th</sup>) business day (as defined by the then-applicable CSD Regulations) before the due date for such payment, such date being a Business Day, or such other business day falling closer to the due date as then may be stipulated in the CSD Regulation and will be made in accordance with such CSD Regulation, such day being the “**Record Date**” in respect of the Capital Securities in accordance with the CSD Regulation.
  - 11.1.1 Additionally, in respect of any payment of Deferred Interest (which term shall include any interest thereon for the purposes of this provision) in accordance with Clause 7 (*Interest payment and deferral*), the Deferred Interest shall be calculated on the second TARGET Settlement Day before the relevant Deferred Interest Payment Date. The payment of Deferred Interest on a Deferred Interest Payment Date shall constitute an “other payment” (Sw. *annan utbetalning*) for the purposes of the CSD Regulation. When making payment of the Deferred Interest, the relevant payment order shall specify the amount of such payment, rounded to five decimal places.
- 11.2 If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed.
- 11.3 If both the principal amount and interest are due and payable and the available funds are insufficient to discharge all the amounts due and payable, the available funds shall first be applied towards payment of interest and secondly, towards payment of the principal amount and shall be applied pro rata among the Holders.
- 11.4 Payments will, but without prejudice to the provisions of Clause 10 (*Taxation*), be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations or agreements thereunder or official interpretations thereof), or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement) (collectively, “**FATCA**”).
- 11.5 Notwithstanding anything to the contrary in Clause 11.4 above, the CSD shall have no other obligation in respect of the Code or FATCA than as set out in the CSD Regulation.

## 12. DEFAULT INTEREST

- 12.1 If the Issuer fails to pay any amount due in accordance with these Terms and Conditions, the Issuer shall, for the period commencing on the date such payment was due and ending on the date of actual payment, pay default interest on the overdue amount at a rate corresponding to the average of one (1) week Screen Rate during the delay plus two (2) percentage units. The Screen Rate shall be determined on the first Business Day of each week during the delay. Default interest shall however, subject to Clause 12.2 below, never be less than the Interest Rate plus

two (2) percentage units or if Clause 8.8 (*Change of Control*) applies not less than the Interest Rate plus seven (7) percentage units. Accrued default interest shall not be capitalised.

- 12.2 If the delay is due to an existence of an obstacle for any one of the Issuing Agent or the CSD, respectively, referred to in Clause 22 (*Limitation of Liability*) the default interest shall not accrue nor become payable.

### 13. TIME-BAR

- 13.1 The right to receive repayment of the principal of Capital Securities shall be time-barred and become void ten (10) years from the relevant Redemption Date. The right to receive payment of interest (excluding any capitalised Interest) shall be time-barred and become void three (3) years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Holders' right to receive payment has been time-barred and has become void.
- 13.2 If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag (1981:130)*), a new time-bar period of ten (10) years with respect to the right to receive repayment of the principal of the Capital Securities, and of three (3) years with respect to the right to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the time-bar period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

### 14. ENFORCEMENT EVENTS

- 14.1 Without prejudice to the Issuer's right to defer the payment of interest under Clause 7.1 (*Cumulative Optional Interest Deferral and Optional Payment*), if a default is outstanding for a period of fourteen (14) days or more in relation to the Issuer's payment of any interest, principal or premium in respect of the Capital Securities which is due and payable, then the Issuer shall be deemed to be in default under the Capital Securities and any Holder may institute proceedings for an Issuer Winding-up provided that such default is still continuing.
- 14.2 In the event of an Issuer Winding-up, a Holder may, provided such Holder does not contravene a previously adopted resolution (if any), prove and/or claim in such Issuer Winding-up in respect of the Capital Securities, such claim being for such amount, and being subordinated in such manner, as is provided under Clause 3.2.
- 14.3 No remedy against the Issuer, other than as referred to in this Clause 14, shall be available to the Holders, whether for the recovery of any amount of principal, interest or otherwise owing in respect of the Capital Securities or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Capital Securities.

### 15. HOLDERS' MEETING AND WRITTEN PROCEDURE

- 15.1 The Issuer may convene a Holders' Meeting or arrange a Written Procedure to decide on amendments of these Terms and Conditions or other matters as specified below. Further, the Issuer shall upon the written request of Holders holding not less than ten (10) per cent of the Adjusted Nominal Amount at the time of the request, convene a Holders' Meeting or arrange a Written Procedure. The person requesting the decision may suggest the method for decision-making (being either Holders' Meeting or Written Procedure), but if it is in the Issuer's opinion more appropriate that a matter is dealt with at a Holders' Meeting or by way of a Written Procedure, the Issuer shall have the right to decide the method of decision-making. The Holders' Meeting shall be held at a venue determined by the Issuer provided that the venue shall be in Stockholm, Sweden. At the Issuer's discretion, a Holders' Meeting may also be held (or participation to a physical meeting enabled) by telecommunications or other electronical or technical means.
- 15.2 The Issuer, the Holders, the CSD and the Issuing Agent shall be given notice to attend a Holders' Meeting at least ten (10) Business Days before such meeting. The notice to attend shall be given in accordance with Clause 16 (*Notices*) and it shall contain (i) the time and venue for the meeting and (ii) an agenda of the matters to be addressed and, as the case may be, resolved, at the meeting as well as (iii) any action required on the part of a Holder to attend the Holders' Meeting. No other matters than those referred to in the notice to attend may be resolved upon. The notice to attend shall specifically address that in the case of Capital Securities registered with a nominee, the underlying beneficiaries shall register their right to vote separately in order to be capable of casting votes at the meeting, in which case the nominee shall hold no voting rights in respect of such Capital Securities.
- 15.3 The Issuer shall instigate a Written Procedure no later than ten (10) Business Days after receipt of a valid request from the Holder(s) (or such later date as may be necessary for technical or administrative reasons). The Issuer shall instigate a Written Procedure requested to be arranged by the Issuer pursuant to Clause 15.1 above or by the Holders pursuant to this Clause 15.3 by sending a communication to those who, according to the register kept by the CSD in respect of the Capital Securities, were Holders at the end of the fifth (5th) Business Day prior to the date on which the communication is sent. The notice to attend shall be given in accordance with Clause 16

(Notices) and it shall contain (i) each request for a decision by the Holders or the Issuer, (ii) a description of the reasons for each request, (iii) a specification of the Business Day at the end of which a person must be registered as a Holder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Holder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to this Clause 15.3). If the voting is to be made electronically, instructions for such voting shall be included in the communication.

- 15.4 Representatives of the Holders, the Issuing Agent and the Issuer and their respective proxies and advisers, and, in the case of the Issuer, directors, the chief executive officer and other senior officers and external auditors of the Issuer, may attend a Holders' Meeting.
- 15.5 The Issuer shall appoint the chairman of the meeting, unless otherwise decided by the Holders' Meeting. The chairman shall prepare a list of present Holders setting out the proportion of the Adjusted Nominal Amount each Holder represents ("**Voting Register**"). The Voting Register shall be approved by the Holders' Meeting. Only those who, according to the register kept by the CSD in respect of the Capital Securities, were Holders on the fifth (5th) Business Day prior to the Holders' Meeting, or proxies authorised by such Holders, shall, if holding any Adjusted Nominal Amount at the time of the meeting, be entitled to vote at the meeting and shall be registered in the Voting Register.
- 15.6 The chairman shall ensure that minutes are kept at the Holders' Meeting. The chairman shall record the date and place of the Holders' Meeting as well as resolutions adopted by the Holders' Meeting and results of voting. The Voting Register shall be incorporated in, or be attached to, the minutes. The minutes shall be signed by the keeper of the minutes. The minutes shall be attested by the chairman of the meeting, where the chairman has not kept the minutes, and by at least one Holder appointed by the meeting to attest the minutes. The minutes shall thereafter be provided to the Holders no later than seven (7) Business Days after the meeting. Should the Holders' Meeting resolve to amend these Terms and Conditions, the Terms and Conditions as so amended shall be attached to the minutes and be provided by the Issuer to the CSD and the Issuing Agent. The minutes shall be safely kept by the Issuer.
- 15.7 The Holders' Meeting or the Written Procedure is quorate if Holders representing not less than twenty (20) per cent of the Adjusted Nominal Amount are present or reply to the request in accordance with the instructions given pursuant to Clause 15.3 (as applicable). However, in relation to resolutions in the following matters (an "**Extraordinary Resolution**"), the Holders' Meeting or Written Procedure is quorate only if Holders representing not less than fifty (50) per cent of the Adjusted Nominal Amount are present or reply to the request in accordance with the instructions given pursuant to Clause 15.3 (as applicable):
- (a) approving a change of a Reset Date, Interest Payment Date, Redemption Date or any term triggering the right of such redemption or any other terms relating to interest, reduction or cancellation of the amount payable and change of the currency in which payments under the Capital Securities are to be made;
  - (b) a mandatory exchange of Capital Securities for other securities;
  - (c) approving a substitution of the Issuer; and
  - (d) amendments to Clause 3 (*Status and Subordination*) or this Clause 15.

Notwithstanding the foregoing, any amendment to these Terms and Conditions (including substitution of the Issuer) shall be made in accordance with the Clause 17 (*Amendments*). For the sake of clarity, any resolution at a Holders' Meeting or in the Written Procedure, which extends or increases the obligations of the Issuer, or limits, reduces or extinguishes the rights or benefits of the Issuer (other than in accordance with these Terms and Conditions), shall be subject to the consent of the Issuer.

- 15.8 If quorum does not exist at the Holders' Meeting or in respect of a Written Procedure, the Issuer shall convene a second Holders' Meeting (in accordance with Clause 15.2) or initiate a second Written Procedure (in accordance with Clause 15.3), as the case may be, provided that the relevant proposal has not been withdrawn by the person(s) who initiated the procedure for Holders' consent. When an adjourned Holders' Meeting or Written Procedure resumes, the Holders' Meeting or the Written Procedure shall, if Holders representing not less than ten (10) per cent of the Adjusted Nominal Amount are present at such Holders' Meeting or reply in such Written Procedure (in accordance with the instructions given pursuant to Clause 15.3), be deemed quorate and resolutions may, also in respect of Extraordinary Resolutions, be adopted by a simple majority of the votes cast.
- 15.9 Resolutions at Holders' Meetings or in a Written Procedure shall be adopted by way of voting. Each Holder entitled to vote shall have one (1) vote for each Nominal Amount of the Capital Security held by it and Holders holding more than one Capital Security need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only. The Issuer and any Subsidiary shall not hold



voting rights at the Holders' Meeting nor in the Written Procedure. In the event of a tied vote, the chairman shall have the casting vote. An Extraordinary Resolution shall, subject to Clause 15.7, be valid only where supported by Holders representing not less than seventy-five (75) per cent of the votes cast at the Holders' Meeting or in the Written Procedure. In all other matters (including but not limited to actions to be taken upon an enforcement event), resolutions by the Holders' Meeting or Written Procedure shall be adopted by a simple majority of the votes cast.

- 15.10 Resolutions adopted at a duly convened and held Holders' Meeting or by way of a Written Procedure shall be binding on all Holders, whether or not present at the Holders' Meeting or replying to the Written Procedure and whether or not supporting the resolutions. No Holder shall be held responsible for any damage any resolution of a Holders' Meeting or by way of a Written Procedure may cause to another Holder.
- 15.11 The Issuer shall reimburse all actual out-of-pocket costs and expenses incurred by the Issuing Agent and the CSD in connection with a Holders' Meeting or a Written Procedure, regardless of who requested the meeting or procedure.

## 16. NOTICES

- 16.1 Notice in respect of Capital Securities will be in writing, addressed to such Holders at the address appearing in the book-entry system and register maintained by the CSD, and will be deemed to have been validly given on the fourth Business Day after such mailing. The Issuer is responsible for sending any Notices to the Holders.
- 16.2 Alternatively to, or in addition to, the procedure described in Clause 16.1 above, and at the sole discretion of the Issuer, the Issuer may publish notices in respect of Capital Securities (i) on the official website of the Issuer and/or (ii) by a press release.
- 16.3 Notices (including requests for Holders' Meetings and Written Procedures) shall be given to the Issuer at the following address, or any substitute address notified to the Holders:

**Eltel AB (publ)**

Attention: Henrik Sundell  
Adolfsbergsvägen 13  
168 66 Bromma

- 16.4 Notices shall be given to the Issuing Agent at the following address, or any substitute address notified to the Holders:

**Nordea Bank Abp, Filial i Sverige**

Attention: Capital Markets and Treasury Operations  
Smålandsgatan 17  
SE-105 71 Stockholm  
Sweden

- 16.5 Failure to send a notice or other communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

## 17. AMENDMENTS

- 17.1 All amendments to these Terms and Conditions (including without limitation to those set forth in Clause 15 (*Holders' Meeting and Written Procedure*)) with binding effect for all Holders, the Issuing Agent and the Issuer are possible only provided that such amendment has been duly approved by the Issuer and a Holders' Meeting or a Written Procedure in accordance with Clause 15 (*Holders' Meeting and Written Procedure*) or all Holders and the Issuer otherwise agree to such amendment.
- 17.2 Notwithstanding the foregoing, the Issuing Agent and the Issuer may, however, without the consent of the Holders, agree on (i) the replacement of the Issuing Agent or (ii) any amendment of these Terms and Conditions which is of a formal, minor or technical nature or which is made to correct a clear and manifest error.
- 17.3 The Issuer shall promptly notify the Holders of any amendments or waivers made in accordance with Clause 15 (*Holders' Meeting and Written Procedure*), setting out the date from which the amendment or waiver will be effective. The Issuer shall ensure that any amendments to these Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.
- 17.4 An amendment to these Terms and Conditions shall, in the case of amendments resolved upon by a Holders' Meeting or by way of a Written Procedure, take effect on the date determined by the Holders Meeting or in the

Written Procedure, or, in the case of amendments made by the Issuing Agent and the Issuer pursuant to Clause 17.2, on the date determined by the Issuing Agent and the Issuer.

## 18. FURTHER ISSUES

The Issuer shall, from time to time and without the consent of the Holders, have the right to create and issue further capital securities ranking *pari passu* in all respects and having the same terms and conditions as the Capital Securities, other than the amount and date of the first payment of interest thereon, and so that the same shall be consolidated and form a single series with the outstanding Capital Securities. For the avoidance of doubt, this Clause 18 shall not limit the Issuer's right to issue any other capital securities.

## 19. NOMINEE REGISTRATION AND RIGHT TO INFORMATION

- 19.1 Each of the Issuer and, when permitted under the CSD Regulation, the Issuing Agent shall be entitled to obtain information from the Debt Register and each Holder agrees and gives consent to the CSD to provide such information to the Issuer and the Issuing Agent, in each case upon request. In respect of the Issuing Agent, any such information may include information registered with the CSD relating to the Capital Securities and the Holders to enable the Issuing Agent to provide any relevant Swedish authorities, including the Financial Supervisory Authority of Sweden (Sw. *Finansinspektionen*) and the Swedish tax authorities with any information required under applicable Swedish laws, such as, but not limited to, the identity of the Holder of the Capital Securities, the residency of the Holder of the Capital Securities, the number of Capital Securities registered with the relevant Holder, the address of the relevant Holder, the Account Operator in respect of the relevant CSD account (Sw. *Kontoförande*) and whether or not the Capital Securities are registered in the name of a nominee and the identity of any such nominee.

## 20. APPOINTMENT AND REPLACEMENT OF THE CSD

- 20.1 The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD regulations and the other regulations applicable to the Capital Securities.
- 20.2 The CSD may retire from its assignment or be dismissed by the Issuer provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Holder. The replacing CSD must be authorized to professionally conduct clearing operations pursuant to the Swedish Securities Markets Act (*lag (2007:528) om värdepappersmarknaden*) or Regulation (EU) no. 909/2014 and be authorized as a central securities depository in accordance with the Central Securities Depositories and Financial Instruments Accounts Act.

## 21. THE ISSUING AGENT

- 21.1 The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Capital Securities.
- 21.2 The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.
- 21.3 The Issuing Agent's duties under these Terms and Conditions are solely mechanical and administrative in nature and the Issuing Agent only acts in accordance with the Terms and Conditions, unless otherwise set out in the Terms and Conditions. In particular, the Issuing Agent is not acting as an advisor (whether legal, financial or otherwise) to the Holders or any other Person.
- 21.4 The Issuing Agent is not obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the Terms and Conditions unless to the extent expressly set out in the Terms and Conditions, or to take any steps to ascertain whether any default (or any event that may lead to a default) has occurred.
- 21.5 Unless it has actual knowledge to the contrary, the Issuing Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.

- 21.6 The Issuing Agent is not liable for information provided to the Holders by or on behalf of the Issuer or any other Person.

**22. LIMITATION OF LIABILITY**

- 22.1 None of the Issuer, the Issuing Agent and the CSD (each a “**Protected Party**”) shall be held responsible for any damage arising out of any Swedish or foreign legal enactment, or any measure undertaken by a Swedish or foreign public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance. The reservation in respect of strikes, lockouts, boycotts and blockades applies even if a Protected Party takes such measures, or is subject to such measures.
- 22.2 Any damage that may arise in other cases shall not be compensated by any Protected Party if it has observed customary care. No Protected Party shall in any case be held responsible for any indirect damage, consequential damage and/or loss of profit.
- 22.3 Should there be an obstacle as described above for a Protected Party to take any action in compliance with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 22.4 The provisions in this Clause 22 apply unless they are inconsistent with the provisions of the Central Securities Depositories and Financial Instruments Accounts Act and the CSD Regulations, which provisions shall prevail.

**23. LISTING AND SECONDARY MARKET**

The Issuer has the intention to and shall use its best efforts to ensure that the Capital Securities are listed on the sustainable bond list of Nasdaq Stockholm within three (3) months from the Issue Date and continue to being listed thereon as long as any Capital Securities are outstanding.

**24. GOVERNING LAW AND JURISDICTION**

- 24.1 The Capital Securities and these Terms and Conditions shall be governed by and construed in accordance with Swedish law.
- 24.2 Any dispute or claim arising in relation to these Terms and Conditions shall, be determined by Swedish courts and the District Court of Stockholm shall be the court of first instance.

**25. ISIN**

The ISIN code of the Capital Securities is SE0019914250.

*(Signatures on the following page)*

**ELTEL AB (PUBL)**

\_\_\_\_\_  
Date:  
By:

\_\_\_\_\_  
Date:  
By: