

Statnett

STATNETT SF

(a state-owned enterprise incorporated with limited liability in The Kingdom of Norway)

€5,000,000,000

EURO-MEDIUM TERM NOTE PROGRAMME

This Base Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU (as amended, "**EU MiFID II**") and/or which are to be offered to the public in any member state of the European Economic Area. This Base Prospectus comprises a base prospectus for the purposes of Article 8 of the Prospectus Regulation is valid for a period of twelve months from the date of approval. An application has been made to (i) the Irish Stock Exchange plc, trading as Euronext Dublin ("**Euronext Dublin**") for Notes issued under the Programme to be admitted to its official list (the "**Euronext Dublin Official List**") and to trading on its regulated market; and (ii) the Norwegian Financial Supervisory Authority (*Finanstilsynet*) (the "**NFSA**") for Notes issued under the Programme to be admitted to listing and trading on the regulated market of Oslo Børs ASA (the "**Oslo Stock Exchange**"), in each case during the period of 12 months after the date hereof. Euronext Dublin's regulated market and the Oslo Stock Exchange's regulated market are regulated markets for the purposes of EU MiFID II.

As of the date of this Base Prospectus, the Issuer has been assigned a rating of A2 by Moody's Deutschland GmbH ("**Moody's**") and A+ by S&P Global Ratings Europe Limited ("**S&P**"). Each of Moody's and S&P is established in the European Economic Area (the "**EEA**") and is registered under Regulation (EC) No 1060/2009 on credit rating agencies (the "**EU CRA Regulation**"). Each of the ratings Moody's and S&P have given to the Notes to be issued under the Programme are endorsed by Moody's Investors Service Limited and S&P Global Ratings UK Limited, respectively, which are each established in the UK and registered under Regulation (EC) No 1060/2009 on credit rating agencies as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").

Tranches of Notes (as defined in "*Terms and Conditions of the Notes*") to be issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms (as defined herein). Such rating will not necessarily be the same as the rating(s) assigned to the Issuer, the Programme or to Notes already issued.

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

FOR A DISCUSSION OF RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH ANY INVESTMENT IN THE NOTES, SEE "*RISK FACTORS*" ON PAGE 1 BELOW.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements.

The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States 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 certain transactions exempt from the registration requirements of the Securities Act.

Arranger for the Programme
NATWEST MARKETS

Dealers

BARCLAYS
DANSKE BANK
HANDELSBANKEN
NORDEA

BNP PARIBAS
DNB MARKETS
NATWEST MARKETS
SEB

The date of this Base Prospectus is 16 May 2024.

IMPORTANT NOTICES

Statnett SF (the "**Issuer**") accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes under the Programme. To the best of the knowledge and belief of the Issuer, the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

References herein to the "Base Prospectus" are to this document.

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" (the "**Conditions**") as completed by a document specific to such Tranche called final terms (the "**Final Terms**"). This Base Prospectus should be read and construed with any amendment or supplement thereto and with any other information incorporated by reference and, in relation to any Series (as defined below) of Notes, should be read and construed together with the relevant Final Terms. Copies of Final Terms in relation to Notes to be listed on Euronext Dublin will be published on the website of the Euronext Dublin (<https://live.euronext.com/>).

The Issuer has confirmed to the dealers (the "**Dealers**") named under "*Subscription and Sale*" below that this Base Prospectus contains all information which is (in the context of the Programme, the issue, offering and sale of the Notes) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue, offering and sale of the Notes) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Trustee or any Dealer.

Neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus. No representation or warranty is made or implied by the Dealers or any of their respective affiliates, and neither the Dealers nor any of their respective affiliates makes any representation or warranty or accepts any responsibility, as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial situation of the Issuer since the date hereof or, as the case may be, the date upon which this Base Prospectus has been most recently amended or supplemented or the balance sheet date of the most recent financial statements which are deemed to be incorporated into this Base Prospectus by reference or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by the terms and conditions of the Notes and/or by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*". In particular, the Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act. Additionally, Notes denominated in NOK may not be offered, sold or delivered within Norway or to or for the account or benefit of persons domiciled in Norway, unless the regulations relating to the offer of VPS Notes (as defined below) and the registration in the Securities Depository (as defined below) of VPS Notes have been complied with.

Neither this Base Prospectus nor any Final Terms may be used for the purpose 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 an offer or solicitation.

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

Each Series of Notes issued under the Programme may be assigned credit ratings as specified in the applicable Final Terms.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (1) provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) provided by a credit rating agency not established in the EEA which is certified under the EU CRA Regulation. In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (1) provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

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

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent:

- (i) the Notes are legal investments for it;
- (ii) the Notes can be used as collateral for various types of borrowing and;
- (iii) other restrictions apply to its purchase or pledge of the Notes. Potential investors that are financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – If the applicable Final Terms in respect of any Notes include a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 ("**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS - If the applicable Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the Financial Services and Markets Act, as amended ("**FSMA**") to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key

information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

EU MiFID II product governance / target market – The Final Terms in respect of any Notes may include a legend entitled "EU MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue of Notes about whether, for the purpose of the EU MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**EU MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the EU MiFID Product Governance Rules.

Product Governance under UK MiFIR / target market- The Final Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR Product Governance Rules is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

Notes issued as Green Bonds

None of the Dealers accepts any responsibility for any social, environmental and sustainability assessment of any Notes issued as Green Bonds (as defined in "*Use of Proceeds*" below) or makes any representation or warranty or assurance whether such Notes will meet any investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels (including in relation to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy Regulation**") and any related technical screening criteria, Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the "**EU Green Bond Regulation**"), Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("**SFDR**") and any implementing legislation and guidelines, or any similar legislation in the United Kingdom) or any requirements of such labels as they may evolve from time to time. None of the Dealers is responsible for the use or allocation of proceeds for any Notes issued as Green Bonds, nor the impact or monitoring of such use of proceeds, nor do any of the Dealers undertake to ensure that there are, at any time, sufficient Green Projects (as defined in "*Use of Proceeds*" below), to allow for allocation of a sum equal to the net proceeds of the issue of such Green Bonds in full.

In addition none of the Dealers is responsible for the assessment of the Issuer's Green Bond Framework (as defined in "*Use of Proceeds*" below) including the assessment of the applicable eligibility criteria in relation to Green Bonds set out therein. S&P Global Ratings has provided a second opinion on the Issuer's Green Bond Framework (as defined in "*Use of Proceeds*") below ("**Compliance Opinion**"). The Compliance Opinion provides an opinion on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in any Notes, including without limitation market price, marketability, investor preference or suitability of any security. The Compliance Opinion is a statement of opinion, not a statement of fact. No representation or assurance is given by the Dealers as to the suitability or reliability of the Compliance Opinion or any opinion or certification of any third party made available in connection with an issue of Notes issued as Green Bonds. As at the date of this Base Prospectus, the providers of such opinions and certifications are not subject to any specific regulatory or

other regime or oversight. The Compliance Opinion and any other such opinion or certification is not, nor should be deemed to be, a recommendation by the Dealers, or any other person to buy, sell or hold any Notes and is current only as of the date it is issued. The criteria and/or considerations that formed the basis of the Compliance Opinion or any such other opinion or certification may change at any time and the Compliance Opinion may be amended, updated, supplemented, replaced and/or withdrawn. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein. The Issuer's Green Bond Framework may also be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Base Prospectus. The Issuer's Green Bond Framework, the Compliance Opinion and any other such opinion or certification does not form part of, nor is incorporated by reference in, this Base Prospectus.

In the event any such Notes are, or are intended to be, listed, or admitted to trading on a dedicated "green", "sustainable", "social" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given by the Dealers that such listing or admission will be obtained or maintained for the lifetime of the Notes.

Benchmarks Regulation

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the "**EU Benchmarks Regulation**") or Regulation (EU) 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the EUWA (the "**UK Benchmarks Regulation**"). If any such reference rate does constitute such a benchmark, the Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the EU Benchmarks Regulation or the FCA pursuant to Article 36 of the UK Benchmarks Regulation), as applicable. The registration status of any administrator under the EU Benchmarks Regulation or the UK Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms to reflect any change in the registration status of the administrator.

Certain References

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to the "**Prospectus Regulation**" are to Regulation 2017/1129, references to "**US\$**", "**USD**", "**dollars**" or "**US dollars**" are to the lawful currency of the United States of America, references to "**£**", "**GBP**" and "**Pounds Sterling**" are to the lawful currency of the United Kingdom, references to "**€**", "**EUR**" or "**euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended, and references to "**NOK**" or "**Norwegian Kroner**" are to the lawful currency of the Kingdom of Norway.

Save where the context otherwise requires, references in this Base Prospectus to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State will be made pursuant to an exemption under the Prospectus Regulation, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor does it authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail.

However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

FORWARD-LOOKING STATEMENTS

This Base Prospectus contains certain forward-looking statements. The words "anticipate", "believe", "expect", "plan", "intend", "targets", "aims", "estimate", "project", "will", "would", "may", "could", "continue" and similar expressions are intended to identify forward-looking statements. All statements other than statements of historical fact included in this Base Prospectus, including, without limitation, those regarding the financial position, business strategy, management plans and objectives for future operations of the Issuer are forward looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performance or achievements, or industry results, to be materially different from those expressed or implied by these forward-looking statements. These forward looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we expect to operate in the future. Important factors that could cause our actual results, performance or achievements to differ materially from those in the forward looking statements include, among other factors described in this Base Prospectus:

- our ability to realise the benefits we expect from existing and future investments in our existing operations and pending expansion and development projects;
- our ability to obtain requisite governmental or regulatory approvals to undertake planned or proposed development projects;
- our ability to obtain external financing or maintain sufficient capital to fund our existing and future operations;
- changes in political, social, legal or economic conditions in the markets in which we and our customers operate;
- changes in the competitive environment in which we and our customers operate;
- failure to comply with regulations applicable to our business; and
- fluctuations in the currency exchange rates in the markets in which we operate.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*". Any forward-looking statements made by or on behalf of the Issuer speak only as at the date they are made. The Issuer does not undertake to update forward-looking statements to reflect any changes in their expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

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DESCRIPTION OF THE PROGRAMME

The following is a brief description only and should be read in conjunction with the rest of this document and, in relation to any Notes, in conjunction with the relevant Final Terms and, to the extent applicable, the Terms and Conditions of the Notes set out herein.

This section constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No. 2019/980.

Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section.

Issuer:	Statnett SF
Arranger:	NatWest Markets N.V.
Dealers:	Barclays Bank Ireland PLC, BNP Paribas, Danske Bank A/S, DNB Bank ASA, NatWest Markets N.V., Nordea Bank Abp, Skandinaviska Enskilda Banken AB (publ), Svenska Handelsbanken AB (publ) and any other dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche (as defined below) of Notes.
Trustee:	The Law Debenture Trust Corporation p.l.c.
Principal Paying Agent:	Citibank, N.A., London Branch
VPS Account Manager:	To be appointed by the Issuer prior to the issue of any VPS Notes.
Initial Programme Amount:	€5,000,000,000 (and, for this purpose, any Notes denominated in another currency shall be translated into euros at the date of the agreement to issue such Notes using the spot rate of exchange for the purchase of such currency against payment of euros being quoted by the Principal Paying Agent on the date on which the Relevant Agreement in respect of the relevant Tranche (as defined below) was made or such other date as the Issuer, the relevant Dealer and the Trustee may agree) in aggregate principal amount of Notes outstanding at any one time. The maximum aggregate principal amount of Notes which may be outstanding under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement (as defined below) and the Trust Deed.
Issuance in Series:	Notes will be issued in series (each, a " Series "). Each Series may comprise one or more tranches (" Tranches " and each, a " Tranche ") issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that (i) the issue date and the amount of the first payment of interest may be different in respect of different Tranches and (ii) a Series may comprise Notes in bearer form and Notes in registered form and Notes in more than one denomination. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes in bearer form and Notes in registered form and may comprise Notes of different denominations. For the avoidance of doubt, a Tranche that comprises VPS Notes may not also comprise Notes in bearer form or Notes in registered form, though it may comprise Notes of different denominations. Each Tranche of VPS Notes will be issued in uncertificated book entry form, as more fully described under the section entitled " <i>Form of the Notes</i> " below. On or before the issue date of each Tranche of VPS Notes entries may be made with the VPS to evidence the debt represented by such VPS Notes to accountholders with the VPS. VPS Notes will be issued in accordance with the laws and regulations applicable to VPS Notes from time to time.
Form of Notes:	The Notes will be issued in bearer form, registered form or in uncertificated book entry form registered in accordance with section 3-1 of the Norwegian Securities Depository Act of 15 March 2019 no. 6 in a Securities Depository approved or acknowledged under the EU central securities depositories (CSD) regulation (Regulation (EU) No

909/2014 of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012) which unless otherwise specified in the Final Terms will be the *Verdipapirsentralen ASA* (the "**VPS**") (the "**VPS Notes**").

"**Securities Depository**" means a securities depository approved or acknowledged under the EU central securities depositories (CSD) regulation (Regulation (EU) No 909/2014 of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012) which unless otherwise specified in the Final Terms will be the VPS.

VPS Notes will not be evidenced by any physical note or document of title. Entitlements to VPS Notes will be evidenced by the crediting of VPS Notes to accounts with the VPS.

In respect of each Tranche of Notes issued in bearer form, the Issuer will deliver a temporary global Note or a permanent global Note, as shall be specified in the applicable Final Terms. Each global Note in bearer form which is not intended to be issued in new global note form ("**CGN**"), as specified in the relevant Final Terms, will be deposited on or before the relevant issue date with a depository or a common depository for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and/or any other relevant clearing system and each Global Note in bearer form which is intended to be issued in new global note form (a "**New Global Note**" or "**NGN**"), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Depositing the Global Notes with the Common Safekeeper does not necessarily mean that the bearer Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.

Each temporary global Note will be exchangeable for a permanent global Note or, if so specified in the relevant Final Terms, for Notes in definitive bearer form and/or (in the case of a Series comprising both bearer and registered Notes and if so specified in the relevant Final Terms) registered form in accordance with its terms. Each permanent global Note will be exchangeable for Notes in definitive bearer form and/or (in the case of a Series comprising both bearer and registered Notes and if so specified in the relevant Final Terms) registered form in accordance with its terms. Notes in definitive bearer form will, if interest-bearing, have interest coupons ("**Coupons**") attached and, if appropriate, a talon ("**Talon**") for further Coupons and will, if the principal thereof is repayable by instalments, have a grid for recording the payment of principal endorsed thereon or, if so specified in the relevant Final Terms, have payment receipts ("**Receipts**") attached.

Notes in registered form may not be exchanged for Notes in bearer form. VPS Notes may not be exchanged for bearer Notes or registered Notes and vice versa.

Currencies: Notes may be denominated in any currency or currencies (including, without limitation, euro ("**EUR**"), Japanese Yen ("**JPY**"), Pounds Sterling ("**GBP**"), Norwegian Kroner ("**NOK**"), Swiss Francs ("**CHF**"), Swedish Kronor ("**SEK**") and United States dollars ("**USD**") subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Status: Notes will be issued on an unsubordinated basis. The obligations of the Issuer under any Note will rank at least *pari passu* with the claims of all its other unsecured creditors save those whose claims are preferred solely by any laws of general application relating to creditors' rights.

Issue Price:	Notes may be issued at any price on a fully paid basis, as specified in the relevant Final Terms. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.
Maturities:	<p>Any maturity between twelve months and thirty years, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.</p> <p>Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the FSMA by the Issuer.</p>
Redemption:	Notes may be redeemable at par or at such other redemption amount (including, if applicable, the Make-Whole Redemption Price) as may be specified in the relevant Final Terms.
Optional Redemption:	Notes may be redeemed before their stated maturity at the option of (i) the Issuer (either in whole or in part); (ii) the Holders, or (iii) the Holders in the event of a Change of Control of the Issuer in each case to the extent (if at all) specified in the relevant Final Terms.
Early Redemption:	Other than as described in " <i>Optional Redemption</i> " above, early redemption will be permitted for taxation reasons as mentioned below in " <i>Terms and Conditions of the Notes – Early Redemption for Taxation Reasons</i> ".
Clean-Up Call Option:	If Clean-up Call Option is specified in the relevant Final Terms as being "Applicable", and if, at any time (other than as a direct result of a redemption of some, but not all, of the Notes at the Make-Whole Redemption Price at the Issuer's option pursuant to Condition 6.3), the outstanding aggregate nominal amount of the Notes is 20 per cent. (or such other amount as specified in the relevant Final Terms) or less of the aggregate nominal amount of the Notes originally issued (and, for these purposes, any further Notes issued pursuant to Condition 15 and consolidated with the Notes as part of the same Series shall be deemed to have been originally issued), the Issuer may redeem all (but not some only) of the remaining outstanding Notes on any date in accordance with as set out under " <i>Terms and Conditions of the Notes – Clean-Up Call</i> ".
Interest:	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed or floating rate and may vary during the lifetime of the relevant Series. The terms and conditions also provide for additional fallbacks in the events that one or more benchmark rates used to determine the interest payable on the Notes is discontinued.
Denominations:	No Notes may be issued under the Programme which have a minimum denomination of less than €100,000 (or equivalent in another currency). Subject thereto, Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Taxation:	Payments in respect of Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Kingdom of Norway or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments

or governmental charges is required by law. In that event, the Issuer will (subject to certain exceptions) pay such additional amounts as will result in the holders of Notes or Coupons receiving such amounts as they would have received in respect of such Notes or Coupons had no such withholding or deduction been required.

Events of Default:	The Terms and Conditions of the Notes will contain events of default, as more fully described in " <i>Terms and Conditions of the Notes – Events of Default</i> " below.
Negative Pledge:	The Terms and Conditions of the Notes will contain a Negative Pledge, as more fully described in " <i>Terms and Conditions of the Notes – Negative Pledge</i> " below.
Governing Law:	The Notes, all related contractual documentation and all non-contractual obligations arising out of or in connection with such Notes and related contractual documentation will be governed by English law. VPS Notes must comply with the Norwegian Securities Depository Act of 15 March 2019 no. 6, (as amended from time to time) and the holders of VPS Notes will be entitled to the rights, and are subject to the obligations and liabilities, which arise under this Act and any related regulations and legislation.
Listing:	<p>Each Series of Notes may be admitted to listing in Ireland on the Euronext Dublin Official List and trading on the regulated market of Euronext Dublin, with a secondary listing in Norway on the regulated market of the Oslo Stock Exchange and admitted to trading on the regulated market of the Oslo Stock Exchange.</p> <p>Notes issued under the Programme may be unlisted, or may be listed on a non-EU regulated market.</p>
Terms and Conditions:	Final Terms will be prepared in respect of each Tranche of Notes, a copy of which will, in the case of Notes to be listed (i) on the Euronext Dublin Official List and traded on the regulated market of Euronext Dublin, be delivered to the Central Bank of Ireland and Euronext Dublin on or before the date of issue of such Notes, and(ii) on the regulated market of the Oslo Stock Exchange and traded on the regulated market of the Oslo Stock Exchange, be delivered to the Oslo Stock Exchange. The terms and conditions applicable to each Tranche will be those set out herein under " <i>Terms and Conditions of the Notes</i> " as completed by the relevant Final Terms.
Clearing Systems:	Euroclear and/or Clearstream, Luxembourg or the VPS.
Selling Restrictions:	For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering materials, including the Base Prospectus in the United States of America, the United Kingdom, the Kingdom of Norway, The Netherlands and Japan, see the section entitled " <i>Subscription and Sale</i> " below.
Redenomination:	The Final Terms for a Tranche of Notes will indicate whether the Issuer may elect that, with effect from the Redenomination Date, the Notes of that Tranche shall be redenominated in euro (if Redenomination is specified) or become exchangeable for Notes denominated in euro (if Exchangeability is specified).
Risk Factors:	An investment in the Notes involves certain risk. See the section entitled " <i>Risk Factors</i> " below.

RISK FACTORS

Prospective investors should note that the following factors constitute material risks known to the Issuer that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme and that they could lose some or all of their investment. All of these factors are contingencies which may or may not occur.

In addition, factors which may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are described below.

This section contains reference to all risk factors that the Issuer currently considers may be material to prospective investors in relation to the issue of Notes under the Programme.

Prospective investors should also read the detailed information appearing elsewhere in this Base Prospectus prior to making any decision to invest in Notes issued under the Programme.

FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE NOTES ISSUED UNDER THE PROGRAMME

The Notes will constitute unsecured obligations of the Issuer. A purchaser of Notes relies on the creditworthiness of the Issuer and no other person. Investment in the Notes involves the risk that subsequent changes in actual or perceived creditworthiness of the Issuer may adversely affect the market value of the Notes.

A. Risks relating to the Issuer's business and operations

Operational risk is linked to physical assets, people, processes and the use of technology in the company's day-to-day activities.

Risks related to the functioning of the power system

Large blackouts in the Norwegian or Nordic power system could occur due to:

- (i) severe or simultaneous faults in the Transmission Grid (as defined in the section entitled "The Issuer's Business - Business Overview" below);
- (ii) malfunctioning of the network control system caused by cyberattacks or otherwise;
- (iii) inadequate production capacity; or
- (iv) an external incident,

any of which could prevent the operation of the Transmission Grid partially or in its entirety. Although the Issuer has prepared for such events by developing various emergency provisions, a large black-out or substantial reduction in transmission capacity may have a negative impact on the Issuer's financial position or reputation.

Operational risk and project execution risk

Operating margins for the Transmission Grid are narrow, and despite significant investment, some of the old facilities are approaching the end of their lifetime. Investments and reinvestments will continue, but there are risks associated with the realisation of these projects in accordance with the existing plans. Delays and deferrals can lead to extended periods with higher electricity supply risks, as well as delays to regulated revenues.

Fault in components during N-0 operation is the risk which most often causes interruptions in the power supply. N-0 operation means that a fault in a single component will cause a power outage for end-users. In recent years, many consumption areas have been supplied by N-0 operation for the whole or parts of the year, and this is expected to continue until further investments in the Transmission Grid have been realised.

Challenging weather conditions may lead to operational defaults, disruptions and damages to the Transmission Grid. Such operational risks may, if they occur, have cost and reputation consequences for the Issuer.

Other operating risks of relevance to the Issuer include hacking and security attacks on the Issuer's operational systems. Although the Issuer has in place well developed emergency preparedness routines, such risks may if they materialise, in a worst case scenario, cause severe damage to the Issuer's systems and thereby put at risk the increasing amount of personal and system data held and operated by the Issuer, challenge the security of supply and challenge the balancing of the Norwegian power system. If such risks materialise, it may have cost and reputational consequences.

Risks relating to ownership by the Norwegian state

The Issuer is wholly owned by the Norwegian state, through the Ministry of Energy. The Issuer is dependent on extensive public support in order to maintain its business, both in terms of oversight and control by the government as owner as well as ensuring a satisfactory capitalisation to enable the Issuer to upgrade and renew its assets.

The Norwegian state, through its ownership, has the power to decide matters submitted for approval at the general meeting of the Issuer, such as approval of the annual financial statements, declarations of dividends, amendments to the Issuer's articles of association and the election and removal of members of the Issuer's Board of Directors. The Norwegian state, as owner of the Issuer, may also decide to implement changes in the nature and scope of the Issuer's business (through disposals/divestments, acquisitions and otherwise).

Risks relating to disruptions in the global financial markets and economy

Pandemic-related disruptions of supply chains, manufacturing bottlenecks, and general supply and demand conditions, as well as the war in Ukraine, have contributed to inflationary economic pressures among Norway's main trading partners since 2021. Both energy and food price inflation are high. Since the second half of 2022, central banks have continued to tighten monetary policy, primarily in response to high inflation. Central banks in Norway, the US, euro area, UK and Sweden have all raised their interest rates, which are now at their highest levels since the financial crisis. There is a risk that continued high inflation rates and the measures taken to combat it, or communication about such measures, might result in volatility in financial markets or result in further negative effects to the real economy, which might have a materially adverse impact on the Issuer's operational and financial performance.

Volatility and transition in the energy markets

Over the past several years there has been significant volatility in energy prices, triggered by an increased amount of variable, non-flexible sources of energy, the hydrological situation in southern Norway, supply and demand impacts of the COVID-19 pandemic and the post-pandemic recovery, the European security situation, including Russia's invasion of Ukraine, and its effect on global energy flows. Norwegian electricity prices have reached record highs, triggering government subsidies to consumers and increased focus and debate on the Norwegian energy supply and transmission system, and the impact of foreign market interconnectors. High electricity prices have further resulted in high costs of grid loss, triggering regulatory changes as referred to in the section headed "*Risks relating to regulation*" below. In the EU, the electricity price situation has caused a debate on the future design of the electricity market, which may also affect the tasks assigned to transmission system operators ("**TSOs**") and the TSOs' business operations.

Digital and cyber security

Increasing digitisation and reliance on information technology ("**IT**") and operational technology mean that failure to manage digital and cyber threats could materially disrupt the Issuer's operations and financial condition. Digital and cyber security threats such as unauthorised access or attacks by hackers, computer viruses, breaches due to unauthorised use, errors or malfeasance by employees or others who have gained access to the Issuer's networks and systems, and insider threats to its assets, could result in loss of production, loss of sensitive or private information, and other safety and environmental losses.

Resilient infrastructure is vital for the Issuer's operations. The use of new technology such as artificial intelligence ("**AI**") presents risks to the Issuer. If development is not carefully managed with responsible oversight, internal and external AI applications could pose the risks of potential misuse of company or corporate data, deriving inaccurate results (leading to false conclusions), and lack of stakeholder trust if efficiency targets disregard ethical considerations or customer well-being. These AI related factors could

worsen the overall financial condition, lead to more litigation and possibly even damage the reputation of the Issuer.

The Issuer could face associated regulatory actions, legal liability, reputational damage, and loss of revenue if any such threat materialises.

The Issuer could be required to spend significant financial and other resources to remedy the damage caused by a security breach or to repair or replace networks and information systems.

Crisis management, business continuity and insurance coverage

The Issuer's crisis management and business continuity systems may prove inadequate and disrupt its business, so causing losses. The Issuer's insurance coverage may not provide adequate protection from such losses, with a potential material adverse effect on the Issuer's financial position.

The Issuer's business could be severely affected if it does not respond or is perceived not to have prepared, prevented, responded, or recovered in an effective and appropriate manner in relation to a crisis or major incident. A crisis or disruption might occur as a result of a security or cyber security incident or if a risk described under the section headed "*Security, safety and environmental risks*" below materialises.

The Issuer maintains insurance cover that includes coverage for physical damage to its properties, third-party liability, workers' compensation and employers' liability, general liability, sudden pollution, and other coverage. The Issuer's insurance coverage includes deductibles that must be met prior to recovery and is subject to caps, exclusions, and limitations. There is no assurance that such coverage will adequately protect the Issuer against liability from all potential consequences and damages.

The Issuer group retains parts of its insurable risks in a wholly owned captive insurance company, so insurance recovery outside of the Issuer group may be limited.

Security, safety and environmental risks

The Issuer is exposed to a wide range of factors that could result in harm to people, the environment, and its assets, as well as cause significant losses through business interruption, increased costs, regulatory action, legal liability, and damage its licence to operate.

Factors that could lead to impacts on health, safety and the environment ("**HSE**") include human performance, operational failures, breach of digital security, detrimental substances, technical integrity failures, natural disasters, adverse weather or climatic conditions, physical effects of climate change, epidemics or pandemics, breach of human rights, structural and organisational changes and other occurrences. The continuation, resurgence or emergence of a pandemic could precipitate or aggravate the other factors identified in this Base Prospectus and materially impact the Issuer's operations and financial condition.

The maintenance and expansion of the Transmission Grid requires the presence of permanent structures and human activity, use of machinery in built-up areas, in managed farmland and forests, as well as in wilderness areas or areas of natural beauty, and may be perceived to be detrimental to community and preservation interests, wildlife, hunting and farming interests. All modes of transmission of high voltage electrical current have inherent risks as they are susceptible to short circuits, noise generation and fire risk, and may thereby represent a significant risk to people and the environment.

The Issuer operates the Transmission Grid and there is an inherent risk to employees of the Issuer or other personnel working in such an environment. Accidents may occur for a variety of reasons, including malfunctions of the communication systems, insufficiently skilled third parties or subcontractors, or external influences such as exceptional weather conditions.

In addition, electric or magnetic fields in the area surrounding power lines may have long-term effects on people's health, although such a possibility has been examined extensively and no adverse effects have been proven.

These risks could result in disruptions of the Issuer's operations and planned developments, and could, among other things, lead to blackouts, structural collapses, fires and explosions that could cause harm to people, loss of life or environmental damage. The Issuer could also be subject to civil and/or criminal

liability and the possibility of incurring substantial costs, including for remediation, if any such HSE risk materialises.

It is not possible to guarantee that the Issuer's management system or other policies and procedures will be able to identify or mitigate all aspects of HSE risks or that all activities will be carried out in accordance with these systems.

These risks could cause harm to people, the environment and the Issuer's assets and result in regulatory action, legal liability, activist actions and protests, and reputational damage.

If such risks do crystallise, they may adversely impact the Issuer's financial position or reputation, and may therefore affect the Issuer's ability to fulfil its obligations under Notes issued under this Base Prospectus.

Workforce and organisation

The Issuer may not be able to secure the right level of workforce competence and capacity, or to leverage efficient organisational operating models, to execute its strategy and operations.

The Issuer depends on workforce capacity and competence to deliver on its mission and strategy. Uncertainties related to the Issuer's future prospects and the rate of growth of new value chains, the need for new capabilities, and increased competition for talent, pose a risk to securing the right level of workforce competence and capacity through industry cycles.

Network Assets

There are significant risks associated with network assets where failure could result in a loss of supply of power to customers. These include, without limitation, risks of damage to network assets caused by natural disasters and severe weather. Customer service and continuity and quality of supply are core regulatory requirements and poor performance in these areas can result in financial penalties being imposed on the Issuer. Any such incidents could adversely affect the Issuer's financial performance and its ability to meet its obligations (including the payment of principal and interest) under the Notes and may also cause adverse publicity, negatively impacting the Issuer's reputation.

Changes in foreign currency rates, interest rates or commodity prices could materially impact the Issuer's earnings or its financial condition

The Issuer's results of operations and net debt position may be affected because a significant proportion of its borrowings, derivative financial instruments and commodity contracts are affected by changes in interest rates and commodity price indices. Costs related to certain large investment projects and borrowings in foreign currency are affected by fluctuating exchange rates, especially between euro, Swedish krona, United States dollar and Norwegian krone. These risks are further heightened at times of increased market volatility.

Furthermore, the business's cash flow may be materially affected as a result of settling hedging arrangements entered into to manage its exchange rate and interest rate exposure.

Changes to the rate of inflation

The Issuer's revenues are linked to the underlying rate of inflation and as such are subject to fluctuations in line with changes in the rate of inflation. Adjustments are also made for real price effects. Changes in the rate of inflation are also likely to impact the operating costs and capital expenditure of the Issuer. Operating costs and capital expenditure may also fluctuate in response to other factors such as real price effects, wage inflation and commodity prices.

The Issuer is dependent on a limited number of key suppliers

The Issuer is dependent on a limited number of key suppliers. Such suppliers could encounter capacity constraints, extended production delays, financial stress and other issues which could have a material adverse effect on the Issuer's business, financial condition, results of operations and/or prospects. Further, should such suppliers encounter financial, regulatory or operational difficulties, the Issuer may

not be able to enforce warranty claims or may face difficulties in placing orders for upgrading, refurbishing and life extension of assets.

Risk of losses in treasury operations

The Issuer aims to identify and manage its financial risks, the most significant of which are liquidity risk, refinancing risk, interest rate risk, exchange rate risk, credit risk and counterparty risk. To address these risks, the Issuer has defined clear limits for minimum liquidity reserves, average time to maturity, modified duration, exchange rate exposure and counterparty exposure. Despite these risk management policies, the Issuer may incur losses in relation to its treasury operations, which may have a negative impact on its financial position.

Terrorism and unsafe activism could have a material adverse effect on the Issuer's business, financial condition, results of operation or prospects

Security threats such as acts of terrorism and cyber-attacks, crime, armed conflict, civil unrest and illegal or unsafe activism against the Issuer could result in losses. Norwegian energy supply to Europe has been identified as a potential target for terrorist attacks in light of the ongoing war between Russia and Ukraine. No assurances can be made that threats or risks will not occur in the future and adversely impact the Issuer's operations. Failure to manage the foregoing risks could result in injury or loss of life, damage to the environment and damage to or the destruction of assets. The Issuer could face, among other things, regulatory action, legal liability, damage to its reputation, a significant reduction in revenues, an increase in costs, a shutdown of operations and a loss of its investments in affected areas.

Risk related to Russia's military invasion of Ukraine

The consequences of Russia's military invasion of Ukraine, including but not limited to financial sanctions of unprecedented strength and width and geopolitical instability, could lead to adverse economic developments that may also affect the Issuer's business in several ways, such as increased volatility in financial markets and limitations in market access, as well as supply chain disruptions resulting in project and maintenance delays and cost increases.

At present, it is difficult to ascertain how long the conflict between Russia and Ukraine may last, or how severe its impacts may become. If the conflict is prolonged, escalates or expands (including if additional countries become involved), or if additional economic sanctions or other measures are imposed, or if volatility in commodity prices or disruptions to supply chains worsen, regional and global macroeconomic conditions and financial markets could be impacted more severely, which in turn could have a more severe effect on the Norwegian economy, the Issuer's customers and the Issuer's business, financial condition and results of operations.

B. Risks relating to regulation

Regulatory considerations

Transmission Grid ownership has been defined as a natural monopoly as customers are obliged to buy grid services in order to receive electricity. The Issuer's operations are, therefore, regulated by the Energy Act and appurtenant regulations by the Norwegian Water Resources and Energy Directorate (the "NVE"), a regulatory agency related to the Ministry of Energy and by the Norwegian Regulating Authority for Energy (the "RME").

Transmission Grid companies in general, and TSOs in particular, are regarded as systemically important by governments and regulators in Norway and the EU, and the regulatory regime affecting the Issuer and its operations is therefore subject to repeated reviews. The EU has already adopted new regulations, affecting the business and operations of TSOs, which have not yet been implemented in Norway, and has proposed additional legislation which is not yet in force in the EU. In Norway, the authorities continue to consider potential changes to regulations affecting the Issuer as TSO, e.g. in order to accommodate for a more efficient use of the grid and for more grid investments in light of the green shift, and in respect of the planned offshore wind developments on the Norwegian Continental Shelf. It is therefore likely that the applicable regulatory system may change over time. Changes in the regulation of the Issuer's business operations and assigned responsibilities may have a negative impact on the Issuer's financial position.

Revenue Cap risk

The RME determines revenue caps that specify the maximum permitted annual income for each grid company (the "**Revenue Cap**"). For the purposes of the Revenue Cap, the Issuer's revenue is calculated based on historical costs and a defined and regulated rate of return on its regulatory asset base. Changes in the interest rate will affect the Issuer's earnings and, notwithstanding that any negative impact of such changes on the Issuer's earnings will be partly offset by a reduction in the Issuer's interest rate costs, such interest rate changes could still have a material impact on the Issuer's earnings. Also, RME's measure of the Issuer's cost efficiency influences the Revenue Cap. The Issuer has historically been measured as 100% efficient based upon multiple benchmarks with other European TSOs. In 2020, the RME proposed changes to the method for calculating the Issuer's cost efficiency which could have the effect of negatively impacting the Revenue Cap. Following a public consultation process and dialogue with the Issuer, the RME concluded in April 2021 with an adjusted methodology which came into effect from and including the accounting year 2021. The external TSO benchmarking was replaced by comparing the Issuer's costs during a single year against the Issuer's own historical costs over a preceding five year period with two years time lag, adjusted for inflation and a certain productivity requirement. RME has announced that it will apply a 98.9 per cent efficiency score for Statnett for the accounting year 2023 and 100.3 per cent for the accounting year 2024. Future benchmarks could potentially yield poorer results and affect the Revenue Cap negatively.

The RME has stated that the parameters in the regulated rate of return shall be evaluated from time to time. The measured efficiency of the Issuer and changes to the regulated rate of return and method for calculating the Revenue Cap may have an important impact on the Issuer's earnings. The authorities have also notified that they are considering changes to the revenue cap regulations in order to incentivise earlier investments in new grid infrastructure.

Revenue stream and liquidity risk

While the total revenues available to the Issuer are subject to the annual revenue cap described above, the Issuer's financial performance may also be affected by its access to liquidity through its actual revenues from year to year. As a highly regulated entity, the Issuer's access to its own revenues during a year may be subject to regulations. By way of example, in the autumn of 2022, the authorities adopted a new temporary regulation resulting in a reallocation of the Issuer's congestion revenues which required the Issuer to allocate parts of the accumulated revenue that exceeded the regulated Revenue Cap to make contributions to regional and local grid companies, purposed to reduce the total grid costs invoiced to grid customers. The temporary regulations, currently applicable until 1 June 2025, reduce the time that the Issuer's revenues exceeding the regulated Revenue Cap will be available for the Issuer's own purposes. Also, EU regulations may restrict the Issuer's freedom to decide how to use its congestion revenues from interconnectors.

Risks relating to EEA backlog in implementing EU regulations

In the energy area, there is a considerable backlog in the inclusion of EU regulations into the EEA Agreement and the appurtenant implementation of EU regulations into national law within the EEA EFTA countries, such as Norway. For example, the fourth energy market package from 2018/2019 has not yet been included into the EEA Agreement. In March 2024, the EU's Commissioner for Energy sent a letter to the Norwegian Government, presenting the EU's concern with this backlog, particularly in respect of the renewable energy directive of 2018 (RED II). The letter demands that RED II is included into the EEA Agreement within mid-August 2024, and alleges that the EU will otherwise "*consider any steps necessary that may need to be taken to preserve the integrity of our joint EEA Single Market*". Whereas the Issuer and its business operations are closely integrated with the business operations of other European TSOs and market operators, and that the Issuer's business is depending on a range of EU regulations within the energy space, there is a risk that the Issuer's business may be negatively affected by such "steps" that may be taken by the EU.

C. Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. Some of these Notes may have certain features which contain particular risks for potential investors. Set out below is a description of the most common of these features:

The Issuer's obligations under the Notes

The Issuer's obligations under the Notes and, if applicable, the Coupons relating to the Notes constitute unsecured obligations of the Issuer and shall rank *pari passu* and without preference among themselves. The payment obligations of the Issuer under the Notes and, if applicable, the Coupons relating to the Notes shall, save for any exemptions, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer present and future. However, as unsecured obligations, the Notes and, if applicable, the Coupons relating to the Notes will, on winding-up or liquidation of the Issuer, rank junior in priority to any secured obligations of the Issuer (if any), and if the Issuer is insolvent a Noteholder (as defined in the Terms and Conditions) may lose all or some of his or her investment.

Notes subject to optional redemption by the Issuer

If a Note contains an optional redemption feature (including one containing a make-whole provision) it is likely to limit its market value. During any period when the Issuer may elect to redeem Notes, the market value of any such Notes will generally not rise substantially above the price at which these Notes can be redeemed. This may also be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at the time.

Certain benchmark rates, including EURIBOR, may be discontinued or reformed in the future

The Euro Interbank Offered Rate ("**EURIBOR**") and other interest rates or other types of rates and indices which are deemed to be benchmarks are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented.

The EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. The UK Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the UK. The EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to EURIBOR or another benchmark rate or index, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the terms of the EU Benchmarks Regulation or UK Benchmarks Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark. More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks," trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

As an example of such benchmark reforms, on 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a "risk free overnight rate" which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the euro area. On 13 September 2018, the working group on Euro risk-free rates recommended the new Euro short-term rate ("€STR") as the new risk-free rate for the euro area. The €STR was published for the first time on 2 October 2019. Although EURIBOR has subsequently been reformed in order to comply with the terms of the EU Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

The elimination of EURIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions (as further described in Condition 5.4, or result in adverse consequences to holders of any

Notes linked to such benchmark (including Floating Rate Notes (as defined in the Conditions) whose interest rates are linked to EURIBOR or any other such benchmark that is subject to reform)). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark.

The Conditions of the Notes provide for certain fallback arrangements in the event that a published benchmark, such as EURIBOR, (including any page on which such benchmark may be published (or any other successor service)) becomes unavailable or a Benchmark Event or a Benchmark Transition Event (each as defined in the Conditions), as applicable, otherwise occurs. Such an event may be deemed to have occurred prior to the issue date for a Series of Notes. Such fallback arrangements include the possibility that the rate of interest could be set by reference to a successor rate or an alternative rate and that such successor rate or alternative rate may be adjusted (if required) in accordance with the recommendation of a relevant governmental body or in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark, although the application of such adjustments to the Notes may not achieve this objective. Any such changes may result in the Notes performing differently (which may include payment of a lower interest rate) than if the original benchmark continued to apply. In certain circumstances the ultimate fallback of interest for a particular Interest Period (as defined in the Conditions) may result in the rate of interest for the last preceding Interest Period being used.

This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page (as defined in the Conditions). In addition, due to the uncertainty concerning the availability of successor rates and alternative rates and the involvement of an Independent Adviser (as defined in the Conditions) in certain circumstances, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Notes.

Investors should consult their own independent advisers and make their own assessment about the potential risks arising from the possible cessation or reform of certain reference rates in making any investment decision with respect to any Notes linked to or referencing a benchmark.

The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates for Floating Rate Notes

The use of risk-free rates – including those such as the Sterling Overnight Index Average ("**SONIA**"), the Secured Overnight Financing Rate ("**SOFR**") and €STR, as reference rates for Eurobonds continues to develop. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to Notes that reference risk-free rates issued under the Programme. The Issuer may in the future also issue Notes referencing SONIA, the SONIA Compounded Index (as defined in the Conditions), SOFR, the SOFR Compounded Index (as defined in the Conditions), or €STR that differ materially in terms of interest determination when compared with any previous Notes issued by it under the Programme. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility, or could otherwise affect the market price of any Notes that reference a risk-free rate issued under the Programme from time to time.

In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in risk-free rate notes issued to date. No assurance can be given that any particular methodology, including the compounding formula in the terms and conditions of the Notes, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. If the relevant risk-free rates do not prove to be widely used in securities like the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of Notes referencing indices that are more widely used.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SONIA, SOFR, €STR or any related rates and/or indices.

Risk-free rates may differ from inter-bank offered rates in a number of material respects and have a limited history

Risk-free rates may differ from inter-bank offered rates in a number of material respects. These include (without limitation) being backwards-looking, in most cases, calculated on a compounded or weighted average basis, risk-free, overnight rates and, in the case of SOFR, secured, whereas such interbank offered rates are generally expressed on the basis of a forward-looking term, are unsecured and include a risk-element based on interbank lending. As such, investors should be aware that risk-free rates may behave materially different to interbank offered rates as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Risk-free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Notes may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future. Investors should not rely on historical performance data as an indicator of the future performance of such risk-free rates nor should they rely on any hypothetical data.

Furthermore, interest on Notes which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date (as defined in the Conditions). It may be difficult for investors in Notes which reference such risk-free rates reliably to estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of the Notes. Further, in contrast to Notes linked to interbank offered rates, if Notes referencing backwards-looking rates become due and payable as a result of an Event of Default under Condition 7 (*Events of Default*), or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Interest Rate (as defined in the Conditions) payable in respect of such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable or are scheduled for redemption.

The administrator of SONIA, SOFR or €STR or any related indices may make changes that could change the value of SONIA, SOFR or €STR or any related index, or discontinue SONIA, SOFR or €STR or any related index

The Bank of England, the Federal Reserve Bank of New York or the European Central Bank (or their successors) as administrators of SONIA (and the SONIA Compounded Index), SOFR (and the SOFR Compounded Index) or €STR, respectively, may make methodological or other changes that could change the value of these risk-free rates and/or indices, including changes related to the method by which such risk-free rate is calculated, eligibility criteria applicable to the transactions used to calculate SONIA, SOFR or €STR, or timing related to the publication of SONIA, SOFR or €STR or any related indices. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SONIA, SOFR or €STR or any related index (in which case a fallback method of determining the interest

rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate,

Floating Rate Notes

Notes with variable interest rates can be volatile investments. If Notes are structured to include multiples or other leverage factors, or a cap or a floor, or any combination of those features, their market values may be even more volatile than those for Notes that do not include these features.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate. The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed / Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate may affect the market value of the Notes since the Issuer may be expected to convert the interest rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than the prevailing spreads on comparable floating rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than the rates on other Notes.

In respect of any Notes issued with a specific use of proceeds, such as a 'Green Bond', there can be no assurance that such use of proceeds will be suitable for the specific investment criteria of an investor

The applicable Final Terms relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply the net proceeds from an offer of those Notes specifically for projects and activities that promote climate friendly and other environmental purposes ("**Green Projects**"). Prospective investors should have regard to the information in the applicable Final Terms regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Notes together with any other investigation such investor deems necessary. In particular, no assurance is given by the Issuer or the Dealers that the use of such proceeds for any Green Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Projects (and including in relation to the EU Taxonomy Regulation (as defined below) and any related technical screening criteria, the EU Green Bond Regulation (as defined below), SFDR, and any implementing legislation and guidelines, or any similar legislation in the United Kingdom).

S&P Global Ratings has provided a Compliance Opinion, confirming that any Green Bonds are in compliance with the Green Bond Principles, as published by the International Capital Market Association (which serves as the secretariat to the Green Bond Principles) (the "**Green Bond Principles**"). The Green Bond Principles are a set of voluntary guidelines that recommend transparency and disclosure and promote integrity in the development of the green bond market. For the avoidance of doubt, the Compliance Opinion is not, nor shall be deemed to be, incorporated into, and will not form part of, this Base Prospectus or the applicable Final Terms. The Compliance Opinion may not reflect the potential impact of all risks related to the structure of the relevant Series of Green Bonds, their marketability, trading price or liquidity or any other factors that may affect the price or value of the Green Bonds. The Compliance Opinion is not a recommendation to buy, sell or hold securities and is only current as at its date of issue.

While the Green Bond Principles do provide a high level framework, there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or

"sustainable" or an equivalently labelled project, or as to what precise attributes are required for a particular project to be defined as "green" or "sustainable" or such other equivalent label, nor can any assurance be given that such a clear definition or consensus will develop over time. Accordingly, no assurance is or can be given to investors that any project(s) or use(s) the subject of, or related to, any Green Projects will meet any or all investor expectations regarding such "green", "sustainable" or other equivalently-labelled performance objectives and any related technical screening criteria, the EU Green Bond Regulation, SFDR, and any implementing legislation and guidelines, or any similar legislation in the United Kingdom or any requirements of such labels as they may evolve from time to time. There is also no assurance that any adverse environmental, social and/or other impacts will not occur during the implementation of any project(s) or use(s) the subject of, or related to, any Green Projects.

A basis for the determination for the definition of "Green Projects" has been established in the EU with the publication in the Official Journal of the EU on 22 June 2020 of Regulation (EU) No. 2020/852 of the European Parliament and of the Council of 18 June 2020 (the "**EU Taxonomy Regulation**") on the establishment of a framework to facilitate sustainable investment. The EU Taxonomy Regulation establishes a single EU-wide classification system, or "taxonomy", which provides companies and investors with a common language for determining which economic activities can be considered environmentally sustainable. On 1 January 2022, the Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 entered into force, supplementing the EU Taxonomy Regulation by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and on 1 January 2024, the Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 entered into force, supplementing the EU Taxonomy Regulation by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives. The EU Taxonomy Regulation has been and remains subject to further development by way of the implementation by the European Commission, through delegated regulations, of technical screening criteria for the environmental objectives set out in the EU Taxonomy Regulation. Any further delegated act that is adopted by the European Commission in the implementation of the EU Taxonomy Regulation may evolve over time with changes to the scope of activities and other amendments to reflect technological progress, resulting in regular review to the relating screening criteria. In light of the continuing development of legal, regulatory and market convention in the green and sustainable market, no assurance is or can be given to investors that any project(s) or use(s) the subject of, or related to, any Green Projects will meet any or all investor expectations regarding such "green", "sustainable" or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any project(s) or use(s) the subject of, or related to, any Green Projects. It is the intention of the Issuer for the Green Projects to be aligned with the EU Taxonomy Regulation. Pre- and post-issuance verification will be provided by an external third party to ensure alignment to the EU Taxonomy Regulation.

Further, Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds was published in the Official Journal of the European Union on 30 November 2023 (the "**EU Green Bond Regulation**"). The EU Green Bond Regulation, which entered into force on 20 December 2023 and will apply from 21 December 2024, introduces a voluntary label (the "**European Green Bond Standard**") for issuers of "green" use of proceeds bonds where the proceeds will be invested in economic activities aligned with the EU Taxonomy Regulation.

Any Green Bonds issued under the Programme may not be compliant with the EU Green Bond Regulation and are only intended to comply with the requirements and processes in the Issuer's Green Bond Framework. It is not clear if the establishment of the European Green Bond ("**EuGB**") label and the optional disclosures regime for bonds issued as "environmentally sustainable" under the EU Green Bond Regulation could have an impact on investor demand for, and pricing of, green bonds that do not comply with the requirements of the EuGB label or the optional disclosures regime, such as the Green Bonds issued under this Programme. It could result in reduced liquidity or lower demand or could otherwise affect the market price of any Green Bonds issued under this Programme that do not comply with those standards under the EU Green Bond Regulation.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Notes and in particular with any Green Projects to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification (i) is not, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus, (ii) is not, nor should be deemed to be, a recommendation by the Issuer, the Dealers or any other person to buy, sell or hold any such Notes and (iii) would only be current as of the date that it was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Notes. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

In the event that any Notes are listed or admitted to trading on any dedicated "green", "environmental", "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer, the Dealers or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, for example with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Projects. Additionally, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer, the Dealers or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

While it is the intention of the Issuer to apply the proceeds of any Notes so specified in, or substantially in, the manner described in the relevant Final Terms, there can be no assurance that the relevant project(s) or use(s) (including those the subject of, or related to, any Green Projects) will be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule and that accordingly such proceeds will be totally or partially disbursed for such project(s) or use(s). Nor can there be any assurance that any Green Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not constitute an Event of Default under the Notes. The Issuer cannot ensure that there are, at any time, sufficient Green Projects to allow for allocation of an amount equal to the net proceeds of the issue of such Green Bonds in full.

Any such event or failure to apply the proceeds of any issue of Notes for any project(s) or use(s), including any Green Projects, and/or withdrawal of any opinion or certification as described above or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of such Notes and also potentially the value of any other Notes which are intended to finance Green Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

Each prospective investor should consider the factors described in the Issuer's Green Bond Framework and the relevant information contained in this Base Prospectus and seek advice from their independent financial adviser or other professional adviser regarding its purchase of any Green Bonds before deciding to invest. The Issuer's Green Bond Framework may be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Base Prospectus. The Issuer's Green Bond Framework does not form part of, nor is incorporated by reference, in this Base Prospectus.

Green Bonds are not linked to the performance of the Green Projects, do not benefit from any arrangements to enhance the performance of the Notes or any contractual rights derived solely from the intended use of proceeds of such Notes.

The performance of the Green Bonds is not linked to the performance of the relevant Green Projects or the performance of the Issuer in respect of any environmental or similar targets. There will be no segregation of assets and liabilities in respect of the Green Bonds and the Green Projects. Consequently,

neither payments of principal and/or interest on the Green Bonds nor any rights of Noteholders shall depend on the performance of the relevant Green Projects or the performance of the Issuer in respect of any such environmental or similar targets. Holders of any Green Bonds shall have no preferential rights or priority against the assets of any Green Projects nor benefit from any arrangements to enhance the performance of the Notes.

ESG Ratings

Environmental, Social and Governance ("ESG") ratings may vary amongst ESG ratings agencies as the methodologies used to determine ESG ratings may differ. The Issuer's ESG ratings are not necessarily indicative of its current or future operating or financial performance, or any future ability to service the Notes and are only current as of the dates on which they were initially issued. ESG ratings shall not be deemed to be a recommendation to buy, sell or hold the Notes. Currently, the providers of such ESG ratings are not subject to any regulatory or other similar oversight in respect of their determination and award of ESG ratings. Prospective investors must determine for themselves the relevance of any such ESG rating information contained in this Base Prospectus or elsewhere in making an investment decision. The FCA published a discussion paper in February 2023 (DP23/1) on finance for positive sustainable change, exploring how firms' sustainability-related governance arrangements, incentives and competencies can support the role of finance in driving positive sustainable change and delivery in line with firms' sustainability-related objectives. The FCA will use feedback from the discussion paper to consider the case of regulatory measures for firm governance, incentives and competencies.

D. Risks related to the Notes generally

Modification, waivers and substitution

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interest generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders:

- (i) agree to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or any of the provisions of the Trust Deed which, in the opinion of the Trustee, is not materially prejudicial to the interests of the Noteholders or to any modification which is of a formal, minor or technical nature or is made to correct a manifest error; or
- (ii) determine without the consent of the Noteholders that any Event of Default or potential Event of Default (as defined in the Terms and Conditions) shall not be treated as such.

In addition, pursuant to Condition 5.4, certain changes may be made to the interest calculation provisions of the Floating Rate Notes in the circumstances and as otherwise set out in such Condition, without the requirement for consent or approval of the Trustee or the Noteholders.

Change in law

The conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus.

Trading in the clearing systems

In relation to any issue of Notes which have a denomination consisting of €100,000 plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €100,000 (or its equivalent) that are not integral multiples of €100,000 (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than €100,000 may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to €100,000.

E. Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk, in respect of Notes issued under the Programme:

The secondary market generally

The Notes may have no established trading market when issued and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell the Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of the Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal in a currency and any premium and interest on each Note in a currency or currencies as specified in the terms of that Note. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the currency specified in the terms of the Note. These include the risk that exchange rates may significantly change (including changes due to devaluation of the currency specified in the terms of the Note, or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the currency specified in the terms of the Note would decrease (1) the Investor's Currency's equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in Notes bearing interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Notes and/or the Issuer itself. The credit ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may adversely affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold the Notes and may be raised or withdrawn by a credit rating agency at any time.

In general, European regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (1) the rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) the rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation. Certain information with respect to the credit rating agencies and ratings will be disclosed in the applicable Final Terms if the relevant Series of Notes is to be rated.

Dealer appointed as Calculation Agent

The Issuer may appoint a Dealer as Calculation Agent in respect of an issuance of Notes under the Programme. In such a case the Calculation Agent is likely to be a member of an international financial group that is involved, in the ordinary course of its business, in a wide range of banking activities out of which conflicting interests may arise. Whilst such a Calculation Agent will, where relevant, have information barriers and procedures in place to manage conflicts of interest, it may in its other banking activities from time to time be engaged in transactions involving an index or related derivatives which may affect amounts receivable by Noteholders during the term and on the maturity of the Notes or the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Risk factors pertaining to the conditions of the Norwegian and international financial system

The Issuer's ability to access or continue to access domestic and international capital markets and lenders to the extent sufficient to meet its funding needs, including the refinancing of outstanding debt falling due, investment in new assets and the upgrade and maintenance of existing assets, may be adversely affected by a number of factors, including Norwegian and international economic conditions and the state of the Norwegian and the international financial system.

INFORMATION INCORPORATED BY REFERENCE

The following information has been filed with the Central Bank of Ireland and Euronext Dublin and shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (a) the audited consolidated annual financial statements (including the auditors' reports thereon and notes thereto) of the Issuer for the financial year ended 31 December 2023 (available at <https://www.statnett.no/globalassets/om-statnett/investorrelasjoner/arsrapporter/annual-and-sustainability-report-2023.pdf>);
- (b) the audited consolidated annual financial statements (including the auditors' reports thereon and notes thereto) of the Issuer for the financial year ended 31 December 2022 (available at <https://www.statnett.no/globalassets/om-statnett/investor-relations/annual-reports/annual-and-sustainability-report-2022.pdf>);
- (c) the audited consolidated annual financial statements (including the auditors' reports thereon and notes thereto) of the Issuer for the financial year ended 31 December 2021 (available at <https://www.statnett.no/globalassets/om-statnett/investor-relations/annual-reports/statnett-annual-report-2021.pdf>);
- (d) the terms and conditions set out on pages 15 to 41 of the base prospectus dated 25 April 2006 relating to the Programme under the heading "*Terms and Conditions of the Notes*" (available at <http://tools.morningstar.co.uk/tsweu6nqxu/globaldocuments/document/documentHandler.ashx?DocumentId=88552547>);
- (e) the terms and conditions set out on pages 12 to 41 of the base prospectus dated 25 May 2011 relating to the Programme, under the heading "*Terms and Conditions of the Notes*" (available at <https://data.fca.org.uk/artefacts/NSM/data-migration/26332654.pdf>);
- (f) the terms and conditions set out on pages 12 to 43 of the base prospectus dated 23 May 2012 relating to the Programme, under the heading "*Terms and Conditions of the Notes*" (available at <https://data.fca.org.uk/artefacts/NSM/data-migration/39190803.pdf>);
- (g) the terms and conditions set out on pages 12 to 42 of the base prospectus dated 24 May 2013 relating to the Programme, under the heading "*Terms and Conditions of the Notes*" (available at <http://tools.morningstar.co.uk/tsweu6nqxu/globaldocuments/document/documentHandler.ashx?DocumentId=52670089>);
- (h) the terms and conditions set out on pages 13 to 44 of the base prospectus dated 23 May 2014 relating to the Programme, under the heading "*Terms and Conditions of the Notes*" (available at <http://tools.morningstar.co.uk/tsweu6nqxu/globaldocuments/document/documentHandler.ashx?DocumentId=66660474>);
- (i) the terms and conditions set out on pages 13 to 44 of the base prospectus dated 26 May 2015 relating to the Programme, under the heading "*Terms and Conditions of the Notes*" (available at <http://tools.morningstar.co.uk/tsweu6nqxu/globaldocuments/document/documentHandler.ashx?DocumentId=89755157>);
- (j) the terms and conditions set out on pages 12 to 43 of the base prospectus dated 26 May 2016 relating to the Programme, under the heading "*Terms and Conditions of the Notes*" (available at <http://tools.morningstar.co.uk/tsweu6nqxu/globaldocuments/document/documentHandler.ashx?DocumentId=111987401>);
- (k) the terms and conditions set out on pages 12 to 44 of the base prospectus dated 9 May 2017 relating to the Programme, under the heading "*Terms and Conditions of the Notes*" (available at <http://tools.morningstar.co.uk/tsweu6nqxu/globaldocuments/document/documentHandler.ashx?DocumentId=133303442>); and
- (l) the terms and conditions set out on pages 13 to 48 of the base prospectus dated 27 May 2021 relating to the Programme, under the heading "*Terms and Conditions of the Notes*" (available at https://www.rns-pdf.londonstockexchange.com/rns/1052A_1-2021-5-27.pdf);

- (m) the terms and conditions set out on pages 13 to 48 of the base prospectus dated 19 May 2022 relating to the Programme, under the heading "Terms and Conditions of the Notes" (available at http://www.rns-pdf.londonstockexchange.com/rns/1747M_1-2022-5-19.pdf);
- (n) the terms and conditions set out on pages 17 to 65 of the base prospectus dated 25 May 2023 relating to the Programme, under the heading "Terms and Conditions of the Notes" (available at <https://www.statnett.no/globalassets/om-statnett/investorrelasjoner/aneavtaler/statnett-emtn-2023---base-prospectus.pdf>).

Copies of the documents specified above as containing information incorporated by reference in this Base Prospectus may be inspected during normal business hours, free of charge, at the specified office of the Principal Paying Agent and Registrar and from the head office of the Issuer. Copies of the documents specified above will also be available for viewing at the National Storage Mechanism at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>. Please note that websites and urls referred to herein do not form part of this Base Prospectus. Any information contained in any of the documents specified above which is not incorporated by reference in this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus and, for the avoidance of doubt, unless specifically incorporated by reference into this base prospectus, information contained on the website does not form part of this Base Prospectus.

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

Supplements

Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by the Central Bank in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to supersede statements contained in this Base Prospectus (or any earlier supplement) or in a document which is incorporated by reference in this Base Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus which may affect the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

USE OF PROCEEDS

The net proceeds of each issue of Notes will be used by the Issuer for general corporate purposes or for green projects or as may otherwise be disclosed in the Final Terms.

Where the net proceeds of an issue of Notes are used for green projects in accordance with the Issuer's Green Bond Framework, such Notes may be referred to as "**Green Bonds**". The Green Bond Framework has set out, amongst other things, the type of projects and investments that are eligible for allocation of proceeds raised from Green Bonds, the process around selection and approval of allocation of proceeds to green projects and how the Issuer will manage and report on the proceeds of its Green Bonds. The proceeds of Green Bonds may be used for projects that facilitate the connection of renewable power, that enable the efficient use of clean energy or that increase the size of the market for renewable energy. The Green Bond Framework has identified that the proceeds of Green Bonds will not be used to finance nuclear or fossil energy generation projects. Any proceeds raised from the issue of Green Bonds will be held in a dedicated account that will support the funding of projects and activities that promote climate friendly and other environmental purposes, that may be referred to as "**Green Projects**". As long as the Green Bonds are outstanding and the dedicated account has a positive balance, funds will be deducted at the end of every fiscal quarter and attributed to the Issuer's portfolio of Green Projects. The amounts deducted from the dedicated account will be an amount equal to all disbursements made during such quarter in respect of the financing or refinancing of Green Projects.

To enable investors to follow the development of any such Green Projects and provide insight to prioritized areas, the Issuer will provide an annual letter to investors (the "**Green Bond Investor Letter**") setting out the following information: (i) a list of the Green Projects financed, including a brief description and expected impact where feasible, (ii) information about the division of the allocation of Green Bond proceeds between new Green Projects and refinancing, and (iii) a summary of the Issuer's Green Bond development.

According to the definition criteria set out by the International Capital Market Association ("**ICMA**") Green Bond Principles ("**GBP**"), only such tranches will be denominated "**Green Bonds**".

The Green Bond Framework and published Green Bond Investor Letters for the years ended 2020, 2021 and 2022 are available on the investor relations section of the Issuer's website (<https://www.statnett.no/en/about-statnett/investor-relations/green-financing/>).

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes which, as completed by the relevant Final Terms, will be applicable to each Series of Notes.

The Notes (as defined in Condition 1.1) are constituted by an amended and restated trust deed dated 25 May 2023 (the "**Trust Deed**", which expression shall include any further amendments or supplements thereto or any restatement thereof) made between Statnett SF (the "**Issuer**") and The Law Debenture Trust Corporation p.l.c. (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees of the Trust Deed) as trustee for the holders of the Notes (the "**Noteholders**"). The Notes (other than the VPS Notes) are the subject of an amended and restated paying agency agreement dated 25 May 2023 (as amended, supplemented or replaced from time to time, the "**Agency Agreement**") and made between the Issuer, the Trustee, Citibank, N.A., London Branch, in its capacity as principal paying agent (the "**Principal Paying Agent**", which expression shall include any successor to Citibank, N.A., London Branch, in its capacity as such) and as principal registrar (the "**Principal Registrar**", which expression shall include any successor to Citibank, N.A., London Branch, in its capacity as such), and the paying agents named therein (the "**Paying Agents**", which expression shall include the Principal Paying Agent and any substitute or additional paying agents appointed in accordance with the Agency Agreement). Copies of the Trust Deed and the Agency Agreement are available for inspection during normal business hours at the specified office of each of the Trustee, the Paying Agents and the Principal Registrar. All persons from time to time entitled to the benefit of obligations under any Notes shall be deemed to have notice of, and shall be bound by, all of the provisions of the Agency Agreement and the Trust Deed insofar as they relate to the relevant Notes.

The Notes are issued in series (each, a "**Series**"), and each Series may comprise one or more tranches ("**Tranches**" and each, a "**Tranche**") of Notes. Each Tranche will be the subject of a Final Terms (each, a "**Final Terms**"). Copies of the Final Terms will have been published on the website of (i) Euronext Dublin at <https://www.euronext.com/en/markets/dublin> and (ii) the Oslo Stock Exchange at <https://newsweb.oslobors.no/>. In the case of a Tranche of Notes in relation to which application has not been made for listing with any competent listing authority or on any stock exchange, copies of the Final Terms will only be available for inspection by a Holder (as defined in Condition 2.1) of such Note during normal business hours at the specified office of the Principal Paying Agent and/or, as the case may be, the Registrar (as defined in Condition 2.2).

References in these Terms and Conditions to "**Notes**" are to Notes of the relevant Series and any references to Coupons (as defined in Condition 1.6) and Receipts (as defined in Condition 1.7) are to Coupons and Receipts relating to Notes of the relevant Series.

References in these Terms and Conditions to the "**Final Terms**" are to the Final Terms or Final Terms(s) prepared in relation to the Notes of the relevant Tranche or Series.

References in these Terms and Conditions to a "**Tranche**" are to an individual Tranche within a Series or to a Series without a Tranche.

In respect of any Notes, references herein to these "**Terms and Conditions**" are to these terms and conditions as completed by the Final Terms.

As used in these Terms and Conditions, in relation to any Notes which are to have a "**listing**" or be "**listed**" on Euronext Dublin, the London Stock Exchange and the Oslo Stock Exchange, "**listing**" and "**listed**" shall be construed to mean that such Notes have been (i) admitted to the Euronext Dublin Official List and admitted to trading on the regulated market of Euronext Dublin, and (ii) admitted to listing and trading on the regulated market of Oslo Børs ASA (the "**Oslo Stock Exchange**").

1. **Form and Denomination**

- 1.1 The Notes of a Series are issued in bearer form ("**Bearer Notes**"), in registered form ("**Registered Notes**"), or in uncertificated book entry form ("**VPS Notes**") as specified in the Final Terms and are serially numbered, save for the VPS Notes. Registered Notes and VPS Notes will not be exchangeable for Bearer Notes.
- 1.2 The Final Terms shall specify whether U.S. Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") or U.S. Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") shall apply, or whether neither are applicable. Unless the Final Terms specifies that the TEFRA C Rules are applicable in respect of Notes, each Tranche of Bearer Notes is represented upon issue by a temporary global Note (a "**Temporary Global Note**") substantially in the form (subject to amendment and completion) of the First Schedule to the Trust Deed. Such Temporary Global Note which is not intended to be issued in new global note ("**NGN**") form, as specified in the relevant Final Terms, will be deposited on or before the relevant issue date therefor with a depository or a common depository for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and/or other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg (the "**ICSDs**").

Where the Final Terms applicable to a Tranche of Bearer Notes specifies that the TEFRA C Rules apply, such Tranche is (unless otherwise specified in the Final Terms) represented upon issue by a permanent global Note (a "**Permanent Global Note**").

Interests in the Temporary Global Note may be exchanged for:

- (a) interests in a Permanent Global Note substantially in the same form (subject to amendment and completion) of the Second Schedule to the Trust Deed; or
- (b) if so specified in the Final Terms, definitive instruments in bearer form ("**Definitive Notes**") substantially in the same form (subject to amendment and completion) of the Third Schedule to the Trust Deed and/or (in the case of a Series comprising both Bearer Notes and Registered Notes and if so specified in the Final Terms) Registered Notes substantially in the form (subject to amendment and completion) of the Fourth Schedule to the Trust Deed.

Exchanges of interests in a Temporary Global Note for Definitive Notes or, as the case may be, a Permanent Global Note will be made not earlier than 40 days after the issue date of the relevant Tranche of Notes (the "**Exchange Date**") and (unless the Final Terms specifies that the TEFRA C Rules are applicable to the Notes) provided certification as to the beneficial ownership thereof as required by U. S. Treasury regulations (in substantially the form set out in the Temporary Global Note or in such other form as is customarily issued in such circumstances by the relevant clearing system) has been received. An exchange for Registered Notes will be made at any time or from such date as may be specified in the Final Terms, in each case, without any requirement for certification.

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, the Temporary Global Note shall only be exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note.

- 1.3 The bearer of any Temporary Global Note shall not (unless, upon due presentation of such Temporary Global Note for exchange (in whole but not in part only) for a Permanent Global Note or for delivery of Definitive Notes and/or Registered Notes, such exchange or delivery is improperly withheld or refused and such withholding or refusal is continuing at the relevant payment date) be entitled to receive any payment in respect of the Notes represented by such Temporary Global Note which falls due on or after the Exchange Date or be entitled to exercise any option on a date after the Exchange Date.

- 1.4 Unless the Final Terms specifies that the TEFRA C Rules are applicable to the Notes and subject to Condition 1.3 above, if any date on which a payment of interest is due on the Notes of a Tranche occurs whilst any of the Notes of that Tranche are represented by a Temporary Global Note, the related interest payment will be made on the Temporary Global Note only to the extent that certification as to the beneficial ownership thereof as required by US Treasury regulations (in substantially the form set out in the Temporary Global Note or in such other form as is customarily issued in such circumstances by the relevant clearing system) has been received by Euroclear or Clearstream, Luxembourg or any other relevant clearing system. Payments of amounts due in respect of a Permanent Global Note or (subject to Condition 1.3 above) a Temporary Global Note (if the Final Terms specifies that the TEFRA C Rules are not applicable to the Notes) will be made through Euroclear or Clearstream, Luxembourg or any other relevant clearing system without any requirement for certification.
- 1.5 Interests in a Permanent Global Note will be exchanged by the Issuer (in whole but not in part only), at the option of the Holder of such Permanent Global Note, for Definitive Notes and/or (in the case of a Series comprising both Bearer and Registered Notes and if so specified in the Final Terms) Registered Notes, (a) if an Event of Default occurs in respect of any Note of the relevant Series; or (b) if either Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of public holidays) or announces an intention to cease business permanently or in fact does so; or (c) if so specified in the Final Terms, at the option of the Holder of such Permanent Global Note upon such Holder's request, in all cases at the cost and expense of the Issuer. In order to exercise the option contained in paragraph (c) of the preceding sentence, the Holder must, not less than forty five days before the date upon which the delivery of such Definitive Notes and/or Registered Notes is required, deposit the relevant Permanent Global Note to or to the order of the Principal Paying Agent with the form of exchange notice endorsed thereon duly completed.

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, the Permanent Global Note shall only be exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note.

- 1.6 Interest-bearing Definitive Notes have attached thereto at the time of their initial delivery coupons ("**Coupons**"), presentation of which will be a prerequisite to the payment of interest save in certain circumstances specified herein. Interest-bearing Definitive Notes, if so specified in the Final Terms, have attached thereto at the time of their initial delivery, a talon ("**Talon**") for further coupons and the expression "**Coupons**" shall, where the context so requires, include Talons.
- 1.7 Notes, the principal amount of which is repayable by instalments ("**Instalment Notes**") which are Definitive Notes, have endorsed thereon a grid for recording the repayment of principal or, if so specified in the Final Terms, have attached thereto at the time of their initial delivery, payment receipts ("**Receipts**") in respect of the instalments of principal.
- 1.8 The Trustee and the Issuer may call for and, except in the case of manifest error, shall be at liberty to accept and place full reliance on as sufficient evidence thereof any certificate, letter of confirmation or other document issued on behalf of any ICSD or any form of record made by any of them or such other evidence and/or information and/or certification as it shall, in its absolute discretion, think fit to the effect that at any particular time or throughout any particular period any particular person is, was, or will be, shown in its records as the holder of a particular nominal amount of Notes represented by a Global Note and if the Trustee or the Issuer does so rely, such letter of confirmation, form of record, evidence, information or certification shall be conclusive and binding on all concerned for all purposes. Any such certificate may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Cedcom system) in accordance with its usual procedures and in which the holder of a particular nominal amount of Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by Euroclear or Clearstream, Luxembourg and subsequently found to be forged or not authentic.

Denomination

Denomination of Bearer Notes

- 1.9 Bearer Notes are in the denomination or denominations (each of which denomination is integrally divisible by each smaller denomination) specified in the Final Terms. Bearer Notes of one denomination may not be exchanged for Bearer Notes of any other denomination.

Denomination of Registered Notes

- 1.10 Registered Notes are in the minimum denomination specified in the Final Terms or integral multiples thereof.

Denomination of VPS Notes

- 1.11 VPS Notes are in the minimum denomination specified in the Final Terms or integral multiples thereof.

Currency of Notes

- 1.12 The Notes are denominated in such currency as may be specified in the Final Terms. Any currency may be so specified (including, without limitation, euro (as defined in Condition 9E) ("**EUR**"), Japanese Yen ("**JPY**"), Pounds Sterling ("**GBP**"), Norwegian Kroner ("**NOK**"), Swiss Francs ("**CHF**"), Swedish Kronor ("**SEK**") and United States dollars ("**USD**")), subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Save where more specifically defined or where the context otherwise requires for the purposes of these Terms and Conditions, references to "**Notes**" shall be to any of Temporary Global Notes, Permanent Global Notes, Definitive Notes and references to the deposit of Notes or Registered Note Certificates will, if applicable, be construed in accordance with the practice of the relevant clearing system.

2. Title and Transfer

- 2.1 Title to Bearer Notes, Receipts and Coupons passes by delivery. References herein to the "**Holders**" of Bearer Notes or of Receipts or Coupons are to the bearers of such Bearer Notes or such Receipts or Coupons.
- 2.2 Title to Registered Notes passes by registration in the register which the Issuer shall procure to be kept by the Registrar. For the purposes of these Terms and Conditions, "**Registrar**" means, in relation to any Series comprising Registered Notes, the Principal Registrar. References herein to the "**Holders**" of Registered Notes are to the persons in whose names such Registered Notes are so registered in the relevant register (or in the case of a joint holding the first named thereof). A certificate (each a "**Registered Note Certificate**") will be issued to each Noteholder in respect of its initial registered holding.
- 2.3 Title to the VPS Notes passes by book entries in the records of the VPS. On the issue of VPS Notes, the Issuer will send a letter to the Trustee, (the "**VPS Letter**") with a copy sent to a VPS account manager to be appointed by the Issuer prior to the issue of any VPS Notes (the "**VPS Account Manager**"), which will set out the terms of the relevant issue of VPS Notes in the form of Final Terms attached to such VPS Notes. On delivery of a copy of such VPS Letter, including the applicable Final Terms, to the VPS and notification to the VPS of the subscribers and their VPS account details by the relevant Dealer, the VPS Account Manager will credit each subscribing account holder with the VPS with a nominal amount of VPS Notes equal to the nominal amount for which it has subscribed and paid. Settlement of transactions in the VPS will take place two Oslo business days after the date of the relevant transaction. Transfers of interests in the relevant VPS Notes will take place in accordance with the rules and procedures for the time being of the VPS. References herein to the "**Holders**" of VPS Notes are to the persons in whose names such VPS Notes have been entered in the records of the VPS.
- 2.4 The Holder of any Bearer Note, Coupon or Registered Note will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether

or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon or on the related Registered Note Certificate, or any theft or loss thereof) and no person shall be liable for so treating such Holder and the Issuer, the Trustee, the Paying Agents and the Registrar shall not be required to obtain any proof thereof or as to the identity of the Holder.

Transfer of Registered Notes and exchange of Bearer Notes for Registered Notes

- 2.5 A Registered Note may, upon the terms and subject to the conditions set forth in the Agency Agreement, be transferred upon the surrender of the related Registered Note Certificate, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar. A new Registered Note Certificate will be issued to the transferee and, where not all of the Notes represented by the surrendered Note Certificates are the subject of the transfer, a new Registered Note Certificate in respect of the balance not transferred will be issued to the transferor.
- 2.6 If so specified in the Final Terms, the Holder of Bearer Notes may exchange the same for the same aggregate principal amount of Registered Notes upon the terms and subject to the conditions set forth in the Agency Agreement. In order to exchange a Bearer Note for a Registered Note, the Holder thereof shall surrender such Bearer Note at the specified office outside the United States of the Principal Paying Agent or of the Registrar together with a written request for the exchange. Each Bearer Note so surrendered must be accompanied by all unmatured Receipts and Coupons appertaining thereto other than the Coupon in respect of the next payment of interest falling due after the exchange date (as defined in Condition 2.7) where the exchange date would, but for the provisions of Condition 2.6, occur between the Record Date (as defined in Condition 9B.3) for such payment of interest and the date on which such payment of interest falls due.
- 2.7 Each new Registered Note Certificate to be issued upon the transfer of a Registered Note or the exchange of a Bearer Note for a Registered Note will, within three Relevant Banking Days of the transfer date or, as the case may be, the exchange date be available for collection by each relevant Holder at the specified office of the Registrar or, at the option of the Holder requesting such exchange or transfer be mailed (by uninsured post at the risk of the Holder(s) entitled thereto) to such address(es) as may be specified by such Holder. For these purposes, a form of transfer or request for exchange received by the Registrar or the Principal Paying Agent after the Record Date (as defined in Condition 9B.3) in respect of any payment due in respect of Registered Notes shall be deemed not to be effectively received by the Registrar or the Principal Paying Agent until the day following the due date for such payment.
- For the purposes of these Terms and Conditions,
- (a) "**Relevant Banking Day**" means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place where the specified office of the Registrar is located and, in the case only of an exchange of a Bearer Note for a Registered Note where such request for exchange is made to the Principal Paying Agent, in the place where the specified office of the Principal Paying Agent is located;
 - (b) the "**exchange date**" shall be the Relevant Banking Day following the day on which the relevant Bearer Note shall have been surrendered for exchange in accordance with Condition 2.5; and
 - (c) the "**transfer date**" shall be the Relevant Banking Day following the day on which the relevant Registered Note shall have been surrendered for transfer in accordance with Condition 2.4.
- 2.8 The issue of new Registered Notes on transfer or on the exchange of Bearer Notes for Registered Notes will be effected without charge by or on behalf of the Issuer, the Principal Paying Agent or the Registrar, but upon payment by the applicant of (or the giving by the applicant of such indemnity as the Issuer, the Principal Paying Agent or the Registrar may require in respect of) any tax, duty or other governmental charges which may be imposed in relation thereto.

3. **Status of the Notes**

The Notes constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4) unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with the claims of all its other unsecured creditors save those whose claims are preferred solely by any bankruptcy, insolvency, liquidation or other similar laws of general application.

4. **Negative Pledge**

So long as any Note remains outstanding (as defined in the Trust Deed), the Issuer shall not create or permit to subsist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness without at the same time or prior thereto (x) securing (in the sole opinion of the Trustee) the Notes equally and rateably therewith or (y) providing such other security for the Notes as the Trustee shall, in its absolute discretion, deem not materially less beneficial to the interests of the Noteholders or as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of Noteholders.

In these Terms and Conditions:

"Indebtedness" means any indebtedness of any person for or in respect of moneys borrowed or raised including (without limitation) any indebtedness for or in respect of:

- (a) moneys borrowed; or
- (b) amounts raised by way of acceptance under any acceptance credit facility but excluding acceptance of trade bills in respect of the purchase or sale of goods in the ordinary course of trading; or
- (c) amounts raised under any note purchase facility; or
- (d) amounts raised pursuant to any issue of shares of any person which are expressed to be redeemable prior to the payment of any amounts due under this Note; or
- (e) the capital amount of any liability in respect of leases or hire purchase contracts which would, in accordance with generally accepted accounting principles in Norway, be treated as finance leases; or
- (f) the capital amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 90 days; or
- (g) any interest rate swap, currency swap, forward foreign exchange transaction, forward rate agreement, cap, floor, collar or option transaction or other similar transaction or any combination thereof or other like transaction; or
- (h) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

"Norway" means the Kingdom of Norway;

"person" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"Permitted Security Interest" means a Security Interest in respect of Relevant Indebtedness:

- (a) acquired or assumed by the Issuer in connection with its business after the date hereof which exists at the time of such acquisition or assumption (other than a Security Interest created in contemplation of such acquisition or assumption); and/or

- (b) where such Security Interest exists over assets acquired at fair market price by the Issuer in connection with its business after the date hereof and such Security Interest was created prior to and not in contemplation of such acquisition;

"Relevant Indebtedness" means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market) other than any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which has an initial maturity of less than 12 months; and

"Security Interest" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction.

5. Interest

Interest

- 5.1 Notes may be interest-bearing or non interest-bearing, as specified in the Final Terms. Words and expressions appearing in this Condition 5 and not otherwise defined herein or in the Final Terms shall have the meanings given to them in Condition 5.12.

Interest-bearing Notes

- 5.2 Notes which are specified in the Final Terms as being interest-bearing shall bear interest from their Interest Commencement Date at the Interest Rate payable in arrear on each Interest Payment Date.

Floating Rate Notes

- 5.3 If the Final Terms specifies the Interest Rate applicable to the Notes as being Floating Rate, and the manner in which the Rate(s) of Interest is/are to be determined is specified as being Screen Rate Determination, it shall also specify which Reference Rate and the Relevant Screen Page (whether on the Reuters Service or any other information vending service) that shall be applicable. If such a page is so specified and the Reference Rate is not SONIA, SOFR or €STR, the Interest Rate applicable to the relevant Notes for each Interest Accrual Period shall be determined by the Calculation Agent on the following basis:

- (a) the Calculation Agent will determine the offered rate for deposits (or, as the case may require, the arithmetic mean (rounded, if necessary, to the nearest ten thousandth of a percentage point 0.00005 being rounded upwards) of the rates for deposits) in the relevant currency for a period of the duration of the relevant Interest Accrual Period on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (b) if, on any Interest Determination Date, no such rate for deposits so appears (or, as the case may be, if fewer than two such rates for deposits so appear) or if the Relevant Screen Page is unavailable, the Interest Rate applicable to such Notes during such Interest Accrual Period will be the sum of the Relevant Margin and the rate (or, as the case may be, the arithmetic mean (rounded as aforesaid) of the rates) determined in relation to such Notes in respect of the last preceding Interest Accrual Period.
- (c) *Interest – Floating Rate Notes referencing SONIA (Screen Rate Determination)*
- (i) This Condition 5.3(c) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "SONIA".
- (ii) Where "SONIA" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as specified in the relevant Final Terms) the Relevant Margin, all as determined by the Calculation Agent.

(iii) For the purposes of this Condition 5.3(c):

"**Compounded Daily SONIA**" with respect to an Interest Period, will be calculated by the Calculation Agent on each Interest Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

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

where:

"**d**" means the number of calendar days in:

- (A) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (B) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**D**" is the number specified in the relevant Final Terms (or, if no such number is specified, 365)

"**d_o**" means the number of London Banking Days in:

- (A) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (B) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**i**" means a series of whole numbers from one to **d_o**, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

- (A) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (B) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

to, and including, the last London Banking Day in such period;

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

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

"**ni**" for any London Banking Day "i", in the relevant Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such London Banking Day "i" up to, but excluding, the following London Banking Day;

"**Observation Period**" means, in respect of an Interest Period, the period from, and including, the date falling "p" London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is

"p" London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"p" for any Interest Period or Observation Period (as applicable), means the number of London Banking Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms or if no such period is specified, five London Banking Days;

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

"**SONIA_i**" means the SONIA Reference Rate for:

- (A) where "Lag" is specified as the Observation Method in the relevant Final Terms, the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i"; or
- (B) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant London Banking Day "i";

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

- (iv) If, in respect of any London Banking Day in the relevant Interest Period or Observation Period (as applicable), the Calculation Agent determines that the SONIA Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall, subject to Condition 5.4, be:
 - (A) the sum of (a) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; and (b) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or
 - (B) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, (a) the SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (b) if this is more recent, the latest determined rate under (A).
- (v) Subject to Condition 5.4, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5.3(c), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Relevant Margin is to be applied to the relevant Interest Period from that which applied to the last

preceding Interest Period, the Relevant Margin relating to the relevant Interest Period, in place of the Relevant Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Relevant Margin applicable to the first Interest Period).

(d) *Interest – Floating Rate Notes referencing SOFR (Screen Rate Determination)*

- (i) This Condition 5.3(d) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "SOFR".
- (ii) Where "SOFR" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be the Benchmark plus or minus (as specified in the relevant Final Terms) the Relevant Margin, all as determined by the Calculation Agent on each Interest Determination Date.
- (iii) For the purposes of this Condition 5.3(d):

"**Benchmark**" means Compounded SOFR, which is a compounded average of daily SOFR, as determined for each Interest Period in accordance with the specific formula and other provisions set out in this Condition 5.3(d).

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

If the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of Compounded SOFR (or the daily SOFR used in the calculation hereof) prior to the relevant SOFR Determination Time, then the provisions under Condition 5.3(d)(iv) below will apply.

"**Compounded SOFR**" with respect to any Interest Period, means the rate of return of a daily compound interest investment computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

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

"**d**" means the number of calendar days in:

- (A) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

- (B) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**D**" is the number specified in the relevant Final Terms (or, if no such number is specified, 360)

" **d_o** " means the number of U.S. Government Securities Business Days in:

- (C) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (D) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**i**" means a series of whole numbers from one to d_o , each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

- (E) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (F) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

to, and including, the last U.S. Government Securities Business Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "**p**" U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "**p**" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes are due and payable);

"**ni**" for any U.S. Government Securities Business Day "**i**", in the relevant Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such U.S. Government Securities Business Day "**i**" up to, but excluding, the following U.S. Government Securities Business Day ("**i+1**");

"**Observation Period**" means, in respect of an Interest Period, the period from, and including, the date falling "**p**" U.S. Government Securities Business Days preceding the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date which is "**p**" U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period (or the date falling "**p**" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable) means the number of U.S. Government Securities Business Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms or if no such period is specified, five U.S. Government Securities Business Days;

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

- (A) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or

- (B) subject to Condition 5.3(d)(iv) below, if the rate specified in (i) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

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

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, or any successor source;

"SOFRi" means the SOFR for:

- (A) where "Lag" is specified as the Observation Method in the applicable Final Terms, the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or
- (B) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant U.S. Government Securities Business Day "i"; and

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

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

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

- (A) will be conclusive and binding absent manifest error;
- (B) will be made in the sole discretion of the Issuer; and
- (C) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

"Benchmark" means, initially, Compounded SOFR, as such term is defined above; provided that if the Issuer determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then "Benchmark" shall mean the applicable Benchmark Replacement.

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

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

"Benchmark Replacement Adjustment" means the first alternative set forth in the order below that can be determined by the issuer or its designee as of the Benchmark Replacement Date:

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

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

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

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

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

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

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

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

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

"Reference Time" with respect to any determination of the Benchmark means (i) if the Benchmark is Compounded SOFR, the SOFR Determination Time, and (ii) if the Benchmark is not Compounded SOFR, the time determined by the Issuer after giving effect to the Benchmark Replacement Conforming Changes;

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

"Unadjusted Benchmark Replacement" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

- (v) Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under Condition 5.3(d)(iv) above will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with

Condition 14 (Notices), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect. No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer:

- (A) confirming (x) that a Benchmark Transition Event has occurred, (y) the relevant Benchmark Replacement and, (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 5.3(d); and
 - (B) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.
- (vi) If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5.3(d), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Relevant Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Relevant Margin relating to the relevant Interest Period, in place of the Relevant Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Relevant Margin applicable to the first Interest Period).
- (e) *Interest – Floating Rate Notes referencing €STR (Screen Rate Determination)*
- (i) This Condition 5.3(e) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "€STR".
 - (ii) Where "€STR" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as specified in the relevant Final Terms) the Relevant Margin, all as determined by the Calculation Agent on each Interest Determination Date.
 - (iii) For the purposes of this Condition 5.3(e):

"**Compounded Daily €STR**" means, with respect to any Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{€STR}_i \times n_i}{D} \right) - 1 \right] \times \frac{D}{d}$$

where:

"**d**" means the number of calendar days in:

- (A) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (B) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**D**" is the number specified in the relevant Final Terms (or, if no such number is specified, 360)

"**d_o**" means the number of TARGET Settlement Days in:

- (A) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (B) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

the "**€STR reference rate**", in respect of any TARGET Settlement Day, is a reference rate equal to the daily euro short-term rate ("**€STR**") for such TARGET Settlement Day as provided by the European Central Bank as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the TARGET Settlement Day immediately following such TARGET Settlement Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

"**€STR_i**" means the €STR reference rate for:

- (A) where "Lag" is specified as the Observation Method in the relevant Final Terms, the TARGET Settlement Day falling "p" TARGET Settlement Days prior to the relevant TARGET Settlement Day "i"; or
- (B) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant TARGET Settlement Day "i".

"**i**" is a series of whole numbers from one to "**d_o**", each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in:

- (A) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or
- (B) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

to, and including, the last TARGET Settlement Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" TARGET Settlement Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" TARGET Settlement Days prior to such earlier date, if any, on which the Notes are due and payable);

"**ni**" for any TARGET Settlement Day "i" in the relevant Interest Period or Observation Period (as applicable), means the number of calendar days from (and including) such TARGET Settlement Day "i" up to (but excluding) the following TARGET Settlement Day;

"Observation Period" means, in respect of any Interest Period, the period from (and including) the date falling "p" TARGET Settlement Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to (but excluding) the date falling "p" TARGET Settlement Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) such earlier date, if any, on which the Notes become due and payable; and

"p" for any latest Interest Period or Observation Period (as applicable), means the number of TARGET Settlement Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms or, if no such period is specified, five TARGET Settlement Days.

- (iv) Subject to Condition 5.3(g), if, where any Rate of Interest is to be calculated pursuant to Condition 5.3(e)(ii) above, in respect of any TARGET Settlement Day in respect of which an applicable €STR reference rate is required to be determined, such €STR reference rate is not made available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, then the €STR reference rate in respect of such TARGET Settlement Day shall be the €STR reference rate for the first preceding TARGET Settlement Day in respect of which €STR reference rate was published by the European Central Bank on its website, as determined by the Calculation Agent.
- (v) Subject to Condition 5.3(g), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5.3(e), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Relevant Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Relevant Margin relating to the relevant Interest Period, in place of the Relevant Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Relevant Margin applicable to the first Interest Period).
- (f) *Interest – SONIA Compounded Index and SOFR Compounded Index (Screen Rate Determination)*

This Condition 5.3(f) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and "Index Determination" is specified in the relevant Final Terms as being "Applicable".

Where "Index Determination" is specified in the relevant Final Terms as being "Applicable", the Rate of Interest for each Interest Period will be the compounded daily reference rate for the relevant Interest Period, calculated by the Calculation Agent in accordance with the sum of the following formula:

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

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

"Compounded Index" means either the SONIA Compounded Index or the SOFR Compounded Index, as specified in the relevant Final Terms;

"Compounded Index End" means the relevant Compounded Index value on the End date;

"Compounded Index Start" means the relevant Compounded Index value on the Start date;

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

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

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

"Numerator" means, in the case of the SONIA Compounded Index, 365 and, in the case of the SOFR Compounded Index, 360;

"Relevant Decimal Place" shall, unless otherwise specified in the Final Terms, be the fifth decimal place rounded up or down, if necessary (with 0.000005 being rounded upwards); and

"Relevant Number" is as specified in the applicable Final Terms, but, unless otherwise specified shall be five.

"SONIA Compounded Index" means the Compounded Daily SONIA rate as published at 10:00 (London time) by the Bank of England (or a successor administrator of SONIA) on the Bank of England's Interactive Statistical Database, or any successor source;

"SOFR Compounded Index" means the Compounded SOFR rate as published at 15:00 (New York time) by Federal Reserve Bank of New York (or a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source; and

"Start" means the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Period.

If, with respect to any Interest Period, the relevant rate is not published for the relevant Compounded Index either on the relevant Start or End date, then the Calculation Agent shall calculate the rate of interest for that Interest Period as if Index Determination was not specified in the applicable Final Terms and as if Compounded Daily SONIA or Compounded Daily SOFR (as defined in Condition 5.3(c) or Condition 5.3(d), as applicable) had been specified instead in the Final Terms, and in each case "Observation Shift" had been specified as the Observation Method in the relevant Final Terms, and where the Observation Shift Period for the purposes of that definition in Condition 5.3(c) or Condition 5.3(d) (as applicable) shall be deemed to be the same as the Relevant Number specified in the Final Terms and where, in the case of Compounded Daily SONIA, the Relevant Screen Page will be determined by the Issuer. For the avoidance of doubt, if (i) (in the case of SONIA Compounded Index) a Benchmark Event has occurred in respect of SONIA, the provisions of Condition 5.4 shall apply, and (ii) (in the case of SOFR Compounded Index) a Benchmark Transition Event and its related Benchmark Replacement Date has occurred in respect of SOFR, the provisions of Condition 5.3(d)(iv) shall apply.

(g) *Determination of Rate of Interest following acceleration:* If (i) the Notes become due and payable in accordance with Condition 7 (*Events of Default*) and (ii) the Rate of Interest for the Interest Period during which the Notes become due and payable is to be determined by reference to any of Conditions 5.3(c), (*Interest – Floating Rate Notes referencing SONIA (Screen Rate Determination)*), 5.3(d), (*Interest – Floating Rate Notes referencing SOFR (Screen Rate Determination)*), 5.3(e) (*Interest – Floating Rate Notes referencing €STR (Screen Rate Determination)*) and 5.3(f), (*Interest – SONIA Compounded Index and SOFR Compounded Index (Screen Rate Determination)*), then the final Interest Determination Date shall be the date on which the Notes become so due and payable, and such Rate of Interest shall continue to apply to the Notes for so long as interest continues to accrue thereon as provided in the Trust Deed.

Benchmark Discontinuation

5.4

- (i) Other than in the case of a U.S. dollar-denominated floating rate Note for which the Reference Rate is specified in the relevant Final Terms as being "SOFR" or "SOFR Compounded Index", if a Benchmark Event occurs in relation to the Reference Rate when the rate of interest (or any component part thereof) for any Interest Period remains to be determined by reference to such Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5.4(ii)) and, in either case, an Adjustment Spread, if any (in accordance with Condition 5.4(iii)) and any Benchmark Amendments (in accordance with Condition 5.4(iv)).

In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Principal Paying Agent, Trustee or the Noteholders for any determination made by it pursuant to this Condition 5.4.

If (i) the Issuer is unable to appoint an Independent Adviser or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5.4 prior to the relevant Interest Determination Date, the Reference Rate applicable to the immediate following Interest Period shall be the Reference Rate applicable as at the last preceding Interest Determination Date. If there has not been a first Interest Payment Date, the Reference Rate shall be the Reference Rate that would have been applicable to the Notes for the first Floating Rate Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date. For the avoidance of doubt, any adjustment pursuant to this final paragraph of Condition 5.4 shall apply to the immediately following Interest Period only. Any subsequent Interest Period may be subject to the subsequent operation of this Condition 5.4.

- (ii) If the Independent Adviser determines in its discretion that:
 - (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5.4(iii)) subsequently be used in place of the Reference Rate to determine the rate of interest for the immediately following Interest Period and all following Interest Periods, subject to the subsequent operation of this Condition 5.4; or
 - (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5.4(iii)) subsequently be used in place of the Reference Rate to determine the rate of interest for the immediately following Interest Period and all following Interest Periods, subject to the subsequent operation of this Condition 5.4.
- (iii) If the Independent Adviser determines in its discretion (A) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (B) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall apply to the Successor Rate or the Alternative Rate (as the case may be).
- (iv) If any relevant Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5.4 and the Independent Adviser determines in its discretion (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, following consultation with the Principal Paying Agent and the Trustee (or the person specified in the applicable Final Terms as the party responsible for calculating the rate of interest and the Interest Amount(s)), subject to giving notice thereof in accordance with Condition 5.4(v), without any requirement for

the consent or approval of relevant Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice (and for the avoidance of doubt, the Principal Paying Agent shall, at the direction and expense of the Issuer, consent to and effect such consequential amendments to the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 5.4). In addition, but subject to receipt by the Trustee of a certificate signed by two Authorised Signatories of the Issuer pursuant to Condition 5.4(vi), the Trustee shall (at the expense of the Issuer), without the requirement for the consent or approval of the Noteholders or Couponholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed) and the Trustee shall not be liable to any party for any consequences thereof, provided that the Trustee shall not be obliged so to concur if in the sole opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend rights and/or the protective provisions afforded to the Trustee in these Conditions, the Agency Agreement or the Trust Deed (including, for the avoidance of doubt, any Supplemental Trust Deed) in any way.

- (v) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5.4 will be notified promptly by the Issuer to the Principal Paying Agent, the Trustee, the Calculation Agent and, in accordance with Condition 14, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.
- (vi) No later than notifying the Principal Paying Agent and the Trustee of the same, the Issuer shall deliver to the Principal Paying Agent and the Trustee a certificate signed by two Authorised Signatories of the Issuer:
 - (A) confirming (x) that a Benchmark Event has occurred, (y) the relevant Successor Rate, or, as the case may be, the relevant Alternative Rate and, (z) where applicable, any relevant Adjustment Spread and/or the specific terms of any relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 5.4; and
 - (B) certifying that the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate, Alternative Rate and/or Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without inquiry and without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of such Successor Rate or Alternative Rate and such Adjustment Spread (if any) and such Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Principal Paying Agent, the Trustee, the Calculation Agent, the Paying Agents and the Noteholders as of their effective date.

- (vii) Without prejudice to the obligations of the Issuer under Condition 5.4(i), (ii), (iii) and (iv), the Reference Rate and the fallback provisions provided for in the definition of the term "Reference Rate" will continue to apply unless and until a Benchmark Event has occurred.
- (viii) As used in this Condition 5.4:

"**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Successor

Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) (if no such recommendation has been made, or in the case of an Alternative Rate) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (C) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines to be appropriate.

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5.4(ii) is customary in market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) for a commensurate period and in the Specified Currency.

"**Authorised Signatories**" has the meaning given in the Trust Deed.

"**Benchmark Amendments**" has the meaning given to it in Condition 5.4(iv).

"**Benchmark Event**" means:

- (A) the Reference Rate ceasing to be published for a period of at least five (5) Business Days or ceasing to exist; or
- (B) a public statement by the administrator of the Reference Rate that it will cease publishing the Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Reference Rate); or
- (C) a public statement by the supervisor of the administrator of the Reference Rate, that the Reference Rate has been or will permanently or indefinitely discontinued; or
- (D) a public statement by the supervisor of the administrator of the Reference Rate as a consequence of which the Reference Rate will be prohibited from being used either generally, or in respect of the relevant Floating Rate Notes; or
- (E) it has become unlawful for any Paying Agent, the Calculation Agent, the Issuer or any other party to calculate any rate of interest using the Reference Rate.

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer at its own expense;

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

- (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the

benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof; and

"**Successor Rate**" means a successor to or replacement of the Reference Rate which is formally published, endorsed, approved, recommended or recognised by any Relevant Nominating Body.

Linear Interpolation

5.5 Where Linear Interpolation in connection with this Condition 5.5 is specified as applicable in respect of an Interest Period in the applicable Final Terms, the rate of interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified hereon as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified hereon as applicable), where:

- (A) one rate shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
- (B) the other rate shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period

provided, however, that if there is no rate available for a period of time next shorter than the length of the relevant Interest Period or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

ISDA Rate Notes

5.6 If the Final Terms specifies the Interest Rate applicable to the Notes as being Floating Rate, and the manner in which the Rate(s) of Interest is/are to be determined is specified as being ISDA Determination, each Note shall bear interest as from such date, and at such rate or in such amounts, and such interest will be payable on such dates, as would have applied (regardless of any event of default or termination event or tax event thereunder) if the Issuer had entered into an interest rate swap transaction with the Holder of such Note under the terms of an agreement to which the ISDA Definitions applied and under which:

- the Fixed Rate Payer, Fixed Amount Payer, Fixed Price Payer, Floating Rate Payer, Floating Amount Payer or, as the case may be, the Floating Price Payer is the Issuer (as specified in the Final Terms);
- the Effective Date is the Interest Commencement Date;
- the Termination Date is the Maturity Date;
- the Calculation Agent is the Determination Agent as defined in Condition 5.12;
- the Calculation Periods are the Interest Accrual Periods;
- the Period End Dates are the Interest Period End Dates;
- the Payment Dates are the Interest Payment Dates;
- the Reset Dates are the Interest Period End Dates;
- the Calculation Amount is the principal amount of such Note;

- the Day Count Fraction applicable to the calculation of any amount is that specified in the Final Terms or, if none is so specified, as may be determined in accordance with the ISDA Definitions; and
- the Applicable Business Day Convention applicable to any date is that specified in the Final Terms or, if none is so specified, as may be determined in accordance with the ISDA Definitions.

5.7 If any Maximum or Minimum Interest Rate is specified in the Final Terms, then the Interest Rate shall in no event be greater than the maximum or be less than the minimum so specified.

Accrual of Interest

5.8 Interest shall accrue on the Outstanding Principal Amount of each Note during each Interest Accrual Period from the Interest Commencement Date. Interest will cease to accrue as from the due date for redemption therefor (or, in the case of an Instalment Note, in respect of each instalment of principal, on the due date for payment of the relevant Instalment Amount) unless upon due presentation or surrender thereof (if required), payment in full of the Redemption Amount (as defined in Condition 6.10) or the relevant Instalment Amount is improperly withheld or refused or default is otherwise made in the payment thereof in which case interest shall continue to accrue on the principal amount in respect of which payment has been improperly withheld or refused or default has been made (as well after as before any demand or judgment) at the Interest Rate then applicable or such other rate as may be specified for this purpose in the Final Terms until the date on which, upon due presentation or surrender of the relevant Note (if required), the relevant payment is made or, if earlier (except where presentation or surrender of the relevant Note is not required as a precondition of payment), the third day after the date on which, the Principal Paying Agent or, as the case may be, the Registrar or the VPS Account Manager having received the funds required to make such payment, notice is given to the Holders of the Notes in accordance with Condition 14 that the Principal Paying Agent or, as the case may be, the Registrar or the VPS Account Manager has received the required funds (except to the extent that there is failure in the subsequent payment thereof to the relevant Holder).

Interest Amount(s), Calculation Agent and Reference Banks

5.9 If a Calculation Agent is specified in the Final Terms, the Calculation Agent, as soon as practicable after the Relevant Time on each Interest Determination Date (or such other time on such date as the Calculation Agent may be required to obtain any quote or make any determination or calculation) will determine the Interest Rate and calculate the amount(s) of interest payable (the "**Interest Amount(s)**") in respect of each Denomination of the Notes (in the case of Bearer Notes) and the minimum denomination (in the case of Registered Notes or VPS Notes) for the relevant Interest Accrual Period, obtain such quote or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Principal Paying Agent, the Registrar (in the case of Registered Notes), the VPS Account Manager (in the case of VPS Notes) the Issuer, the Trustee and the Holders in accordance with Condition 14 and, if the Notes are listed with a competent listing authority and/or on a stock exchange and such listing authority or exchange so requires, such listing authority or exchange as soon as possible after their determination or calculation but in no event later than the fourth London Banking Day thereafter or, if earlier in the case of notification to the listing authority or stock exchange, the time required by the relevant stock exchange. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended by the Calculation Agent (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of an Interest Accrual Period or the Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination. If the Notes become due and payable under Condition 7, the Interest Rate and the accrued interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made. The determination of each Interest Rate, Interest Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon the Issuer, the

Trustee and the Holders and neither the Calculation Agent, the Trustee nor any Reference Bank shall have any liability to the Holders in respect of any determination, calculation, quote or rate made or provided by it.

The Issuer will procure that there shall at all times be a Calculation Agent, if provision is made for one in the Terms and Conditions.

If the Calculation Agent is incapable or unwilling to act as such or if the Calculation Agent fails duly to establish the Interest Rate for any Interest Accrual Period or to calculate the Interest Amounts or any other requirements, the Trustee shall do so (or shall appoint an agent on its behalf to do so) and such determination or calculation shall be deemed to have been made by the Calculation Agent). In doing so the Trustee shall determine or calculate the relevant matter in such manner as, in its absolute discretion, it shall deem fair and reasonable in the circumstances (showing such regard as it shall think fit to the procedures described above, but subject always to such maximum or minimum interest rate which may be prescribed) or apply the foregoing provisions of this condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so and in all other respects it shall do so in such manner as it shall in its absolute discretion deem fair and reasonable in the circumstances and will not be liable for any loss, liability, cost, charge or expense which may arise as a result thereof.

Calculations and Adjustments

- 5.10 The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Interest Rate and the Calculation Amount by the Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being round upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount save that (i) if the Final Terms specifies a specific amount in respect of such period, the amount of interest payable in respect of such Note for such period will be equal to such specified amount and (ii) in the case of Notes where the Interest Rate is fixed, the interest shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed. Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period will be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

For the purposes of any calculations referred to in these Terms and Conditions (unless otherwise specified in the Final Terms), (a) all percentages resulting from such calculations will 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 United States Dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), and (c) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

Non-Interest Bearing Notes

- 5.11 If any Maturity Redemption Amount or Instalment Amount (as defined in Condition 6.1) in respect of any Note which is non-interest bearing is not paid when due, interest shall accrue on the overdue amount at a rate per annum (expressed as a percentage per annum) equal to the Amortisation Yield defined in the Final Terms or at such other rate as may be specified for this purpose in the Final Terms until the date on which, upon due presentation or surrender of the relevant Note (if required), the relevant payment is made or, if earlier (except where presentation or surrender of the relevant Note is not required as a precondition of payment), the third day after the date on which, the Principal Paying Agent or, as the case may be, the Registrar or the VPS Account Manager having received the funds required to make such payment, notice is given to the Holders of the Notes in accordance with Condition 14 that the Principal Paying Agent or, as the case may be, the Registrar or the VPS Account Manager has received the required funds (except to the extent that there is failure in the subsequent payment thereof to the relevant Holder). The amount of any such interest shall be calculated in accordance with the provisions of Condition 5.9 as if the Interest Rate was the Amortisation Yield, the Outstanding Principal Amount was the overdue sum and the Day Count

Fraction was as specified for this purpose in the Final Terms or, if not so specified, 30E/360 (as defined in Condition 5.12).

Definitions

5.12 "**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms.

"**Applicable Business Day Convention**" means the "**Business Day Convention**" which may be specified in the Final Terms as applicable to any date in respect of the Notes unless the Final Terms specifies "No Adjustment" in relation to any date in which case such date shall not be adjusted in accordance with any Business Day Convention. Different Business Day Conventions may apply, or be specified in relation to, the Interest Payment Dates, Interest Period End Dates and any other date or dates in respect of any Notes.

"**Banking Day**" means, in respect of any city, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in that city.

"**Benchmark Security**" has the meaning given in the relevant Final Terms or, if not so specified or to the extent that such Benchmark Security specified in the Final Terms is no longer outstanding on the relevant Reference Date, a Similar Security.

"**Benchmark Security Price**" means, if the Calculation Agent obtains (i) five Reference Market-Maker Quotations, the arithmetic mean of the quotations after disregarding the highest and lowest quotations; (ii) lower than five Reference Market-Maker Quotations, the average of all such quotations, or (iii) one Reference Market-Maker Quotation, the amount of the Reference Market-Maker Quotation so obtained, or if no Reference Market-Maker Quotations are received, any subsequent rate of interest shall be determined to be the rate of interest as at the last preceding Interest Payment Date.

"**Business Day**" means:

- (a) in relation to any Notes denominated or any sum payable in euro, a TARGET Settlement Day; and
- (b) in relation to any Notes denominated or any sum payable in a currency other than euro, a day on which commercial banks are open for business and foreign exchange markets settle payments in the Relevant Financial Centre in respect of the relevant currency;

and, in either case, a day on which commercial banks are open for business and foreign exchange markets settle payments in each (if any) Additional Business Centre or any other place specified in the relevant Final Terms.

"**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 Business Day Conventions, where specified in the Final Terms in relation to any date applicable to any Notes, shall have the following meanings:

- (a) "**Following Business Day Convention**" means that such date shall be postponed to the first following day that is a Business Day;
- (b) "**Modified Following Business Day Convention**" or "**Modified Business Day Convention**" means that such date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (c) "**Preceding Business Day Convention**" means that such date shall be brought forward to the first preceding day that is a Business Day;
- (d) "**FRN Convention**" or "**Eurodollar Convention**" means that each such date shall be the date which numerically corresponds to the preceding such date in the calendar month

which is the number of months specified in the Final Terms as the Specified Period after the calendar month in which the preceding such date occurred Provided that:

- (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
- (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
- (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred;

and

- (e) "**No Adjustment**" means that the relevant date shall not be adjusted in accordance with any Business Day Convention.

"**Calculation Agent**" means such agent as may be specified in the Final Terms as the Calculation Agent.

"**Calculation Amount**" has the meaning given in the relevant Final Terms.

"**Call Option Date**" has the meaning given in the relevant Final Terms.

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

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

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

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 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, 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; and

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

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

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,

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

"Determination Agent" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer at its own expense.

"Determination Period" means the period from and including an Interest Payment Date in any year to, but excluding the next Interest Payment Date.

"First Interest Payment Date" means the date specified in the relevant Final Terms.

"Gross Redemption Yield" means, with respect to a security, the gross redemption yield on such security, expressed as a percentage and calculated by the Determination Agent on the basis set out by the United Kingdom Debt Management Office in the paper "*Formulae for Calculating Gilt Prices from Yields*", page 4, Section One: Price/Yield Formulae "Conventional Gilts"; "Double dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date" (published 8 June 1998, as amended or updated from time to time) on a semi-annual compounding basis (converted to an annualised yield and rounded up (if necessary) to four decimal places) or on such other basis as the relevant Dealer(s) may approve.

"Interest Accrual Period" means, in respect of an Interest Period, each successive period beginning on and including an Interest Period End Date and ending on but excluding the next succeeding Interest Period End Date during that Interest Period provided always that the first Interest Accrual Period shall commence on and include the Interest Commencement Date and the final Interest Accrual Period shall end on but exclude the date of final maturity.

"Interest Commencement Date" means the date of issue of the Notes (as specified in the Final Terms) or such other date as may be specified as such in the Final Terms.

"Interest Determination Date" means, in respect of any Interest Accrual Period, the date falling such number (if any) of Banking Days in such city(ies) as may be specified in the Final Terms prior to the first day of such Interest Accrual Period, or if none is so specified, if the Reference Rate is the Euro-zone interbank offered rate ("**EURIBOR**"), the second day on which T2 is open prior to the start of each Interest Period.

"Interest Payment Date" means the First Interest Payment Date and any other date or dates specified as such in the Final Terms and, if an Applicable Business Day Convention is specified in the Final Terms, as the same may be adjusted in accordance with the Applicable Business Day Convention or if the Applicable Business Day Convention is the FRN Convention and an interval of a number of calendar months is specified in the Final Terms as being the Interest Period, each of such dates as may occur in accordance with the FRN Convention at such Specified Period of calendar months following the date of issue of the Notes (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case).

"Interest Period" means each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date provided always that the first Interest Period shall commence on and include the Interest Commencement Date and the final Interest Period shall end on but exclude the date of final maturity.

"Interest Period End Date" means the date or dates specified as such in the Final Terms and, if an Applicable Business Day Convention is specified in the Final Terms, as the same may be adjusted in accordance with the Applicable Business Day Convention or, if the Applicable Business Day Convention is the FRN Convention and an interval of a number of calendar months is specified in the Final Terms as the Interest Accrual Period, such dates as may occur in accordance with the FRN Convention at such specified period of calendar months following the Interest Commencement Date (in the case of the first Interest Period End Date) or the previous Interest Period End Date (in any other case) or, if none of the foregoing is specified in the Final Terms, means the date or each of the dates which correspond with the Interest Payment Date(s) in respect of the Notes.

"Interest Rate" means the rate or rates (expressed as a percentage per annum) or amount or amounts (expressed as a price per unit of relevant currency) of interest payable in respect of the Notes as specified in the Final Terms.

"ISDA" means the International Swaps and Derivatives Association, Inc. (or any successor);

"ISDA Definitions" means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.).

"London Banking Day" means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London.

"Make-Whole Margin" will be specified in the relevant Final Terms.

"Outstanding Principal Amount" means, in respect of any Note, its principal amount or in respect of any Instalment Note, its principal amount less, any principal amount on which interest shall have ceased to accrue in accordance with Condition 5.8.

"Par Redemption Date" will be specified in the relevant Final Terms.

"Reference Date" means the date which is the third London Business Day prior to the date fixed for redemption or such other date as may be specified as such in the relevant Final Terms.

"Reference Market-Makers" means up to five brokers or market-makers of securities such as the Benchmark Security selected in good faith by the Issuer or such other five persons operating in the market for securities such as the Benchmark Security as are selected in good faith by the Issuer and "Reference Market Maker" shall be construed as any one of them.

"Reference Market-Maker Quotations" means, with respect to each Reference Market-Maker and any Call Option Date, the arithmetic average, as determined by the Calculation Agent, of the

bid and asked prices for the Benchmark Security (expressed in each case as a percentage of its principal amount) quoted in writing to the Calculation Agent on the Reference Date at the Reference Time each as specified in the applicable Final Terms.

"Reference Rate" means, either (A) with respect to calculating the Interest Rate for the purposes of Condition 5.3, (i) EURIBOR, (ii) NIBOR, (iii) STIBOR, (iv) SONIA, (v) SONIA Compounded Index, (v) SOFR Compounded Index or (vi) €STR, in each case for the relevant currency and for the relevant period, as specified in the applicable Final Terms; or (B) with respect to any Call Option Date, the rate per annum equal to the equivalent yield to maturity of the Benchmark Security calculated using a price for the Benchmark Security (expressed as a percentage of its principal amount) equal to the Benchmark Security Price for such Call Option Date. The Reference Rate in respect of (B) will be calculated on the Reference Date at the Reference Time each as specified in the applicable Final Terms.

"Reference Time" will be specified in the relevant Final Terms.

"Relevant Financial Centre" means such financial centre or centres as may be specified in relation to the relevant currency for the purposes of the definition of "Business Day" in the ISDA Definitions provided that, in relation to euro, it means the principal financial centre of such member state of the European Union as is selected (in the case of a payment) by the payee, or (in the case of a calculation) by the Calculation Agent.

"Relevant Screen Page" means such page, section, caption, column or other part of a particular information service as may be specified in the Final Terms. In the event that any Relevant Screen Page stops providing quotations for a Reference Rate, then such other page, section, caption, column or other part as may replace the same on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the relevant Reference Rate for the purpose of displaying comparable rates or prices will be used. If there is more than one service displaying the Reference Rate, the one approved in writing by the Issuer in consultation with the Calculation Agent will be used.

"Relevant Time" means the time as of which any rate is to be determined as specified in the Final Terms or, if none is specified, at which it is customary to determine such rate.

"Reuters Service" means, when used in connection with a designated page and any designated information, the display page so designated on Reuters (or such other page as may replace that page on that service for the purpose of displaying such information).

"Specified Period" has the meaning given in the relevant Final Terms.

"T2" means the real time gross settlement system operated by the Eurosystem, or any successor or replacement system.

"TARGET Settlement Day" means any day on which T2 is open for the settlement of payments in euro.

6. **Redemption and Purchase Redemption at Maturity**

- 6.1 Unless previously redeemed, or purchased and cancelled each Note which is not an Instalment Note shall be redeemed at its maturity redemption amount (the "**Maturity Redemption Amount**") (which shall be its Outstanding Principal Amount). In the case of Instalment Notes, each Note shall be redeemed in such number of instalments and in such amounts ("**Instalment Amounts**") as may be specified in the Final Terms on the date or dates (or, in the case of Notes which bear interest at a floating rate of interest, on the date or dates upon which interest is payable) specified in the Final Terms ("**Instalment Date(s)**").

Early Redemption for Taxation Reasons

- 6.2 If, in relation to any Series of Notes, provided the Issuer satisfies the Trustee that (i) as a result of any change in the laws, regulations or rulings of Norway 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, regulations or rulings which becomes effective on or after the date

of issue of such Notes or any other date specified in the Final Terms, the Issuer would be required to pay additional amounts as provided in Condition 8 and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, the Issuer may, at its option and having given no less than thirty nor more than sixty days notice (ending, in the case of Notes which bear interest at a floating rate, on a day upon which interest is payable) to the Holders of the Notes in accordance with Condition 14 (which notice shall be irrevocable), redeem all (but not some only) of the outstanding Notes comprising the relevant Series at their early tax redemption amount (the "**Early Redemption Amount (Tax)**") (which shall be their Outstanding Principal Amount or, in the case of Notes which are non-interest bearing, their Amortised Face Amount (as defined in Condition 6.11) or such other redemption amount as may be specified in the Final Terms), together with accrued interest (if any) thereon (calculated as provided in these Terms and Conditions and the Trust Deed) Provided, however, that no such notice of redemption may be given earlier than 90 days (or, in the case of Notes which bear interest at a floating rate a number of days which is equal to the aggregate of the number of days falling within the then current interest period applicable to the Notes plus 60 days) prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this Condition 6.2 the Issuer shall deliver to the Trustee (A) a certificate signed by two directors of the Issuer stating that the said circumstances prevail and describing the facts leading thereto, and the Trustee shall be entitled to accept such certificate as sufficient evidence of the condition precedent set out in (ii) above in which case it shall become conclusive and binding on the relevant Noteholders and (B) an opinion of independent legal advisers of recognised standing to the effect that such circumstances prevail, and the Trustee shall be entitled to accept such opinion as sufficient evidence of the condition precedent set out in (i) above in which case it shall become conclusive and binding on the relevant Noteholders.

The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under Condition 6.7 or Condition 6.8.

Optional Early Redemption (Call)

6.3 If this Condition 6.3 is specified in the Final Terms as being applicable, then the Issuer may, having given the appropriate notice (as defined in Condition 6.4 below) to the Noteholders and having notified the Trustee or (in the case of a redemption of VPS Notes) the Trustee and the VPS Account Manager, prior to the provision of such notice and subject to such conditions as may be specified in the Final Terms, redeem all (but not, unless and to the extent that the Final Terms specifies otherwise, some only) of the Notes of the relevant Series on the relevant Call Option Date specified in the notice at their **Early Redemption Amount (Call)** (as defined below) together with accrued interest (if any) thereon (calculated as provided in this Condition and the Trust Deed). Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the relevant Final Terms.

The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under Condition 6.7 or Condition 6.8.

"**Early Redemption Amount (Call)**" means, as specified in the relevant Final Terms, either (i) the Outstanding Principal Amount or, in the case of a Note which is non-interest bearing, its Amortised Face Amount (as defined in Condition 6.11); (ii) if Make-Whole Redemption Price is specified in the applicable Final Terms as being applicable, the relevant Make Whole Redemption Amount; or (iii) the amount per Calculation Amount of the Notes.

The "**Make-Whole Redemption Price**" means:

- (i) if Spens Amount is specified in the applicable Final Terms as being applicable: the higher of (A) 100 per cent. of the Outstanding Principal Amount of the Notes to be redeemed; and (B) the Outstanding Principal Amount of the Notes to be redeemed multiplied by the price (expressed as a percentage of its principal amount), as reported to the Issuer by the Determination Agent, at which the Gross Redemption Yield on such Notes on the

Reference Date is equal to the Gross Redemption Yield (determined by reference to the middle market price) at the Reference Time on the Reference Date of the Benchmark Security, plus the Make-Whole Margin specified in the applicable Final Terms; or

- (ii) if Make-Whole Redemption Amount is specified in the applicable Final Terms as being applicable: the higher of (A) 100 per cent. of the Outstanding Principal Amount of the Notes to be redeemed; and (B) the sum of the then present values of the remaining scheduled payments of principal and (if applicable) interest on the Notes to be redeemed (not including any portion of such payments of interest accrued to the date of redemption) discounted to the relevant Call Option Date on an annual basis at the Reference Rate plus the Make-Whole Margin specified in the applicable Final Terms,

all as determined by the Determination Agent, *provided however that*, if the relevant Call Option Date occurs on or after the Par Redemption Date (if specified in the relevant Final Terms), the Make-Whole Redemption Price will be the Outstanding Principal Amount of the Notes.

For the purposes of this Condition 6.3:

"Determination Agent" means an independent financial institution of international repute or other independent financial adviser experienced in the international capital markets, in each case appointed by the Issuer at its own expense.

"Similar Security" means the government security or securities selected by the Issuer, in consultation with the Determination Agent, as having an actual or interpolated maturity comparable with the remaining term of the Notes, that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the remaining term of the Notes. Such Similar Security will be published by the Issuer in accordance with Condition 14 and the definition of Benchmark Security Price shall be amended accordingly.

6.4 The appropriate notice referred to in Condition 6.3 is a notice given by the Issuer to the Holders of the Notes of the relevant Series in accordance with Condition 14, which notice shall be irrevocable and shall specify:

- (a) the Series of Notes subject to redemption;
- (b) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of and (except in the case of a Temporary Global Note or Permanent Global Note) the serial numbers of the Notes of the relevant Series which are to be redeemed;
- (c) the due date for such redemption, which shall be not less than thirty days nor more than sixty days after the date on which such notice is given and which shall be such date or the next of such dates ("**Call Option Date(s)**") or a day falling within such period ("**Call Option Period**"), as may be specified in the Final Terms and which is, in the case of Notes which bear interest at a floating rate, a date upon which interest is payable; and
- (d) the relevant Early Redemption Amount (Call) at which such Notes are to be redeemed.

Partial Redemption

6.5 If the Notes of a Series are to be redeemed in part only on any date in accordance with Condition 6.3:

- (a) in the case of Bearer Notes (other than a Temporary Global Note or Permanent Global Note or Definitive Bearer Note held in Euroclear or Clearstream, Luxembourg or any other relevant clearing system), the Notes to be redeemed shall be drawn by lot in such European city as the Trustee may specify, or identified in such other manner or in such other place as the Trustee may approve and deem appropriate and fair;
- (b) in the case of a Temporary Global Note or a Permanent Global Note, the Notes to be redeemed shall be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system (to be reflected in the records of

Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion);

- (c) in the case of Registered Notes, the Notes shall be redeemed (so far as may be practicable) pro rata to their principal amounts, provided always that the amount redeemed in respect of each Note shall be equal to the minimum denomination thereof or an integral multiple thereof, and
- (d) in the case of VPS Notes, the Notes to be redeemed shall be selected in accordance with the rules of the relevant Securities Depository.

subject always to compliance with all applicable laws and the requirements of any competent listing authority and/or stock exchange on which the relevant Notes may be listed.

In the case of the redemption of part only of a Registered Note, a new Registered Note Certificate in respect of the unredeemed balance shall be issued in accordance with Conditions 2.4 to 2.8 which shall apply as in the case of a transfer of Registered Notes as if such new Registered Note Certificate were in respect of the untransferred balance.

"**Securities Depository**" means a securities depository approved or acknowledged under the EU central securities depositories (CSD) regulation (Regulation (EU) No 909/2014 of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012) which unless otherwise specified in the Final Terms will be the VPS.

Clean-Up Call

- 6.6 If Clean-up Call Option is specified in the relevant Final Terms as being "Applicable", and if, at any time (other than as a direct result of a redemption of some, but not all, of the Notes at the Make-Whole Redemption Price at the Issuer's option pursuant to Condition 6.3), the outstanding aggregate nominal amount of the Notes is 20 per cent. (or such other amount as specified in the relevant Final Terms) or less of the aggregate nominal amount of the Notes originally issued (and, for these purposes, any further Notes issued pursuant to Condition 15 and consolidated with the Notes as part of the same Series shall be deemed to have been originally issued (the "**Clean-up Call Threshold**"), the Issuer may redeem all (but not some only) of the remaining outstanding Notes on any date (or, if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, on any Interest Payment Date) upon giving not less than 15 nor more than 30 days' notice to the Noteholders (or such other notice period as may be specified in the applicable Final Terms) (which notice shall specify the date for redemption and shall be irrevocable), at the Optional Redemption Amount (Clean-up Call) together with any accrued and unpaid interest up to (but excluding) the date of redemption. Prior to the publication of any notice of redemption pursuant to this Condition 6.6, the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the outstanding aggregate nominal amount of the Notes is equal to or less than the Clean-up Call Threshold. The Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the condition precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

Optional Early Redemption (Put) in the event of a Change of Control

- 6.7 If this Condition 6.7 is specified in the Final Terms as being applicable, then if at any time while any Note remains outstanding:
- (a) a Change of Control occurs, and
 - (b) within the Change of Control Period (i) if the Notes are rated with the agreement of the Issuer, a Rating Downgrade in respect of that Change of Control occurs, or (ii) if the Notes are not rated, a Negative Rating Event in respect of that Change of Control occurs (in either case, a "**Put Event**"),

the holder of each Note will have the option (unless, prior to the giving of the Put Event Notice referred to below, the Issuer gives notice to redeem the Notes (A) under Condition 6.2 (*Early*

Redemption for Taxation Reasons) or (B) pursuant to the provisions of this Condition 6.7) to require the Issuer to redeem that Note on the Optional Redemption Date (Put) (as defined below) at its Outstanding Principal Amount together with accrued interest to but excluding the Optional Redemption Date (Put), or if such Note is non-interest bearing, its Amortised Face Amount (as defined in Condition 6.12).

For the purposes of this Condition 6.7:

- (a) "**Acting in concert**" means acting together for the purpose of exercising joint control over the Issuer.
- (b) A "**Change of Control**" shall be deemed to have occurred if at any time:
 - (i) any person or group of persons acting in concert acquires control of at least 50 per cent. of the contributed capital of the Issuer; and
 - (ii) the Kingdom of Norway controls (either directly or indirectly) less than 50.1 per cent. of the contributed capital of the Issuer.
- (c) "**Change of Control Period**" means the period commencing on the earlier of (a) the date of the relevant Change of Control and (b) the date of the earliest Relevant Potential Change of Control Announcement (if any) and ending 180 days after the public announcement of the Change of Control having occurred.
- (d) "**Investment Grade Rating**" means a rating of at least BBB- (or equivalent thereof) in the case of S&P or a rating of at least Baa3 (or equivalent thereof) in the case of Moody's or the equivalent rating in the case of any other Rating Agency.
- (e) A "**Negative Rating Event**" shall be deemed to have occurred if (i) the Issuer does not within the Change of Control Period seek, and thereafter use all reasonable endeavours to obtain from a Rating Agency, a rating or (ii) if it does so seek and use such endeavours, it has not at the expiry of the Change of Control Period and as a result of such Change of Control obtained an Investment Grade Rating, provided that the Rating Agency publicly announces or publicly confirms in writing that its declining to assign an Investment Grade Rating was the result of the applicable Change of Control.
- (f) "**Rating Agency**" means Standard and Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. ("**S&P**") and Moody's Investors Services Limited ("**Moody's**") or any of their respective successors or any other rating agency of equivalent international standing specified from time to time by the Issuer.
- (g) A "**Rating Downgrade**" shall be deemed to have occurred in respect of a Change of Control if within the Change of Control Period the rating previously assigned to the Notes by any Rating Agency at the invitation of the Issuer is (x) withdrawn and not subsequently reinstated within the Change of Control Period or (y) changed from an Investment Grade Rating to a non-Investment Grade Rating (for example, from BBB- to BB+ by S&P, or its equivalents for the time being, or worse) and not subsequently upgraded to an Investment Grade Rating within the Change of Control Period or (z) (if the rating assigned to the Notes by any Rating Agency at the invitation of the Issuer shall be below an Investment Grade Rating) lowered one full rating category (for example, from BB+ to BB by S&P or such similar lower or equivalent rating) and not subsequently upgraded within the Change of Control Period, provided that a Rating Downgrade otherwise arising by virtue of a particular change in rating shall be deemed not to have occurred in respect of a particular Change of Control if the Rating Agency making the change in rating to which this definition would otherwise apply does not publicly announce or publicly confirm that the reduction was the result of the applicable Change of Control.
- (h) "**Relevant Potential Change of Control Announcement**" means any formal public announcement or statement by or on behalf of the Issuer, or any actual or potential bidder or any advisor thereto relating to any potential Change of Control where, within 180 days of the date of such announcement or statement, a Change of Control occurs.

If a Put Event has occurred, the Issuer shall within 21 days of the end of the Change of Control Period give notice (a "**Put Event Notice**") to the Noteholders in accordance with Condition 14 specifying the nature of the Put Event and the circumstances giving rise to it and the procedure for exercising the option contained in this Condition 6.7.

To exercise the option to require redemption of a Note under this Condition 6.7 the holder of that Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver such Note, on any business day in the city of the specified office of the relevant Paying Agent falling within the period (the "**Put Period**") of 30 days after a Put Event Notice is given, at the specified office of any Paying Agent, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Paying Agent (a "**Put Option Notice**") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 6.7. The Note should be delivered together with all Coupons appertaining thereto maturing after the date (the "**Optional Redemption Date (Put)**") which is the seventh day after the last day of the Put Period failing which an amount will be deducted from the payment to be made by the Issuer on redemption of the Notes corresponding to the aggregate amount payable in respect of such missing Coupons.

If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of a Note under this Condition 6.7 the holder of the Note must, within the Put Period, give notice to a Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to such Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the relevant Paying Agent for notation accordingly.

The Paying Agent to which such Note and Put Notice are delivered or the Principal Paying Agent, as the case may be, will issue to the holder concerned a non-transferable receipt (a "**Put Option Receipt**") in respect of the Note so delivered or, in the case of a Global Note or Note in definitive form held through Euroclear or Clearstream, Luxembourg, notice received. The Issuer shall redeem the Notes in respect of which Put Option Receipts have been issued on the Optional Redemption Date (Put), unless previously redeemed. Payment in respect of any Note so delivered will be made, if the holder duly specified a Euro bank account in the Put Option Notice to which payment is to be made, on the Optional Redemption Date (Put) by transfer to that bank account and in every other case on or after the Optional Redemption Date (Put), in each case against presentation and surrender or (as the case may be) endorsement of such Put Option Receipt at the specified office of any Paying Agent in accordance with the provisions of this Condition 6.7.

If 95 per cent. or more in principal amount of the Notes then outstanding have been redeemed pursuant to this Condition 6.7, the Issuer may, having given not less than 30 days' notice to the Noteholders in accordance with Condition 14, such notice to be given within 30 days after the Optional Redemption Date (Put), redeem all but not some only of, the Notes then outstanding at their principal amount together with interest accrued to but excluding the date of such redemption. The notice referred to in the preceding sentence shall be irrevocable and shall specify the date fixed for redemption (which shall not be more than 60 days after the date of the notice). Upon expiry of such notice, the Issuer will redeem the Notes.

Optional Early Redemption (Put)

- 6.8 If this Condition 6.8 is specified in the Final Terms as being applicable, then the Issuer shall, upon the exercise of the relevant option by the Holder of any Note of the relevant Series, redeem such Note on the date specified in the relevant Put Notice (as defined below) at its put early redemption amount (the "**Early Redemption Amount (Put)**") (which shall be its Outstanding Principal Amount or, if such Note is non-interest bearing, its Amortised Face Amount (as defined in Condition 6.12)), together with accrued interest (if any) thereon (calculated as provided in these conditions). In order to exercise such option, the Holder must, not less than forty-five days before the date on which such redemption is required to be made as specified in the Put Notice (which date shall be such date or the next of the dates ("**Put Date(s)**") or a day falling within such period

("Put Period") as may be specified in the Final Terms), deposit the relevant Note or Registered Note Certificate (together, in the case of an interest-bearing Definitive Note, with all unmatured Coupons appertaining thereto other than any Coupon maturing on or before the date of redemption (failing which the provisions of Condition 9A.6 apply)) during normal business hours at the specified office of, in the case of a Bearer Note, any Paying Agent or, in the case of a Registered Note Certificate, the Registrar together with a duly completed early redemption notice ("Put Notice") in the form which is available from the specified office of any of the Paying Agents or, as the case may be, the Registrar specifying, in the case of a Temporary Global Note or Permanent Global Note or Registered Note, the aggregate principal amount in respect of which such option is exercised (which must be the minimum denomination specified in the Final Terms or an integral multiple thereof) or, in the case of VPS Notes, the holder must deposit with the VPS Account Manager or the Issuer at its specified office a duly completed option exercise notice in the form obtainable from the Paying Agent or the VPS Account Manager. No Note so deposited and option exercised may be withdrawn (except as provided in the Trust Deed).

In the case of the redemption of part only of a holding of Registered Notes, a new Registered Note Certificate in respect of the unredeemed balance shall be issued in accordance with Conditions 2.4 to 2.8 which shall apply as in the case of a transfer of Registered Notes as if such new Registered Note Certificate were in respect of the untransferred balance.

The holder of a Note may not exercise such option in respect of any Note which is the subject of an exercise by the Issuer of its option to redeem such Note under either Condition 6.2 or 6.3.

Purchase of Notes

- 6.9 The Issuer or any of its Subsidiaries may at any time purchase Notes of a Series insofar as this is permitted by Norwegian law in the open market or otherwise and at any price provided that all unmatured Receipts and Coupons appertaining thereto are purchased therewith. If purchases are made by tender, tenders must be available to all Holders of such Series alike in a place and following procedures previously approved in writing by the Trustee.

Cancellation of Redeemed and Purchased Notes

- 6.10 Subject to the following, all unmatured Notes and Coupons redeemed in accordance with this Condition 6 will be cancelled forthwith and may not be reissued or resold. Any Notes purchased by a Subsidiary of the Issuer pursuant to Condition 6.9 may at the option of the Issuer, be retained by the relevant Subsidiary, or be resold or surrendered by that Subsidiary (as defined below) to a Paying Agent for cancellation, or in the case of VPS Notes, be deleted from the relevant Securities Depository and cannot thereafter be reissued or resold.

Further Provisions applicable to Redemption Amount and Instalment Amounts

- 6.11 References herein to "**Redemption Amount**" shall mean, as appropriate, the Maturity Redemption Amount, the final Instalment Amount, Early Redemption Amount (Tax), Early Redemption Amount (Call), Early Redemption Amount (Put) and Early Termination Amount.
- 6.12 In the case of any Note which is non-interest bearing, the "**Amortised Face Amount**" shall be an amount equal to the sum of:
- (a) the Issue Price specified in the Final Terms; and
 - (b) the product of the Amortisation Yield specified in the Final Terms (compounded annually) being applied to the Issue Price from (and including) the Issue Date specified in the Final Terms to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where such 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 shall be made on the basis of the Day Count Fraction (as defined in Condition 5.12) specified in the Final Terms for the purposes of this Condition 6.12.

- 6.13 In the case of a Note which is non-interest bearing, if any Redemption Amount (other than the Maturity Redemption Amount) is improperly withheld or refused or default is otherwise made in the payment thereof, the Amortised Face Amount shall be calculated as provided in Condition 6.12 but as if references in subparagraph (ii) to the date fixed for redemption or the date upon which such Note becomes due and repayable were replaced by references to the earlier of:
- (a) the date on which, upon due presentation or surrender of the relevant Note (if required), the relevant payment is made; and
 - (b) (except where presentation or surrender of the relevant Note is not required as a precondition of payment), the third day after the date on which, the Principal Paying Agent or, as the case may be, the Registrar (or the Trustee) having received the funds required to make such payment, notice is given to the Holders of the Notes in accordance with Condition 14 of that circumstance (except to the extent that there is a failure in the subsequent payment thereof to the relevant Holder).

7. Events of Default

7.1 The Trustee at its discretion may, and if so requested in writing by the holders of not less than 25 per cent. of the Outstanding Principal Amount or Amortised Face Amount of the Notes of any Series then outstanding or if so directed by an Extraordinary Resolution of the Holders of such Series shall (subject in each case to being indemnified to its satisfaction) (but, in the case of the happening of any of the events mentioned in paragraphs (b) to (l) below (inclusive), only if the Trustee shall have certified that, in its opinion, such event is materially prejudicial to the interests of the Holders of such Series), give notice to the Issuer that the Notes of such Series are, and they shall accordingly thereby become, immediately due and repayable at their Outstanding Principal Amount or their Amortised Face Amount (or as otherwise specified in the Final Terms), together with accrued interest as provided in the Trust Deed, if any of the following events occur (each, an "**Event of Default**"):

- (a) *Non-payment*: the Issuer fails to pay any amount of principal in respect of the Notes of the relevant Series or any of them on the due date for payment thereof or fails to pay any amount of interest in respect of the Notes of the relevant Series or any of them within five days of the due date for payment thereof; or
- (b) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes of the relevant Series or the Trust Deed or the Agency Agreement and (except in the case where the Trustee determines that such default is incapable of remedy when no such continuation or notice, as hereinafter mentioned will be required) such default remains unremedied for 30 days (or such longer period as the Trustee may permit) after written notice thereof has been delivered to the Issuer by the Trustee requiring the same to be remedied; or
- (c) *Cross-default of Issuer or any Material Subsidiary*:
 - (i) any Indebtedness of the Issuer or any of its Material Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;
 - (ii) any such Indebtedness becomes due and payable prior to its stated maturity as a result of the occurrence of an event of default howsoever described; or
 - (iii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any Guarantee of any Indebtedness,

provided that the aggregate amount of the indebtedness, guarantees and indemnities of either the Issuer and/or any of its Material Subsidiaries in respect of which one or more of the events mentioned above in this paragraph (c) have occurred exceeds Norwegian Kroner 300,000,000 (or its equivalent in any other currency or currencies) at any time; or

- (d) *Unsatisfied judgment*: a judgment or order for the payment of any amount is rendered against the Issuer or any of its Material Subsidiaries and continues unsatisfied or unstayed

for a period of 30 days after the date thereof or, if later, the date therein specified for payment; or

- (e) *Security enforced*: a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or any part of the undertaking, assets and revenues of the Issuer or any of its Material Subsidiaries; or
- (f) *Insolvency etc.*: (i) the Issuer or any of its Material Subsidiaries becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer or any of its Material Subsidiaries is appointed (or application for any such appointment is made) in relation to the whole or any part of the undertaking, assets and revenues of the Issuer or any of its Material Subsidiaries, (iii) the Issuer or any of its Material Subsidiaries takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors generally (other than for the purpose of a reconstruction or amalgamation upon terms and within such a period as may have been previously agreed in writing by the Trustee) or declares a moratorium in respect of any of its Indebtedness or any Guarantee of any Indebtedness given by it or (iv) otherwise than for the purposes of or pursuant to a Permitted Reorganisation, the Issuer or any of its Material Subsidiaries ceases or threatens to cease to carry on all or any substantial part of its business; or
- (g) *Winding up etc.*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of its Material Subsidiaries (otherwise than for the purposes of or pursuant to a Permitted Reorganisation); or
- (h) *Analogous event*: any event occurs which under the laws of Norway has an analogous effect to any of the events referred to in paragraphs (d) to (g) above (otherwise than for the purposes of or pursuant to a Permitted Reorganisation); or
- (i) *Failure to take action etc.*: any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Notes, the Trust Deed and the Agency Agreement, (ii) to ensure that those obligations are legal, valid and binding and (iii) to make the Notes, the Trust Deed and the Agency Agreement admissible in evidence in the courts of Norway is not taken, fulfilled or done; or
- (j) *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes, the Trust Deed or the Agency Agreement.

In this Condition 7, "**Permitted Reorganisation**" means the conversion of the Issuer from a State Owned Enterprise of which the Norwegian State is the sole owner, and to which the King of Norway has decided that Act No. 71 of 30 August 1991 of Norway relating to State Owned Enterprises (as amended) shall apply, to a limited company (AS or ASA) to which the Norwegian Limited Companies Acts of 13 June 1997 no. 44 and 45 (as amended) shall apply provided that prior to such conversion the Issuer shall deliver to the Trustee (i) a certificate signed by two directors of the Issuer stating that the said conversion is to occur and describing the facts leading thereto and confirming that the surviving entity will not have any greater financial liabilities following the conversion than does the Issuer prior to the conversion and the Trustee shall be entitled to accept such certificate as sufficient evidence of the facts stated therein without further investigation and (ii) an opinion of independent legal advisers of recognised standing to the effect that such reorganisation is a universal succession such that the new entity succeeds to the rights and obligations of the Issuer by operation of law.

- 7.2 No Noteholder shall be entitled to take any of the actions referred to in Condition 7.1 except that if the Trustee, having become bound to take such action, fails to do so within a reasonable period and such failure shall be continuing, then any Noteholder of the relevant Series may, on giving an indemnity satisfactory to the Trustee, in the name of the Trustee (but not otherwise), himself take such action to the same extent (but not further or otherwise) that the Trustee would have been entitled so to do.

7.3 In this Condition, "**Material Subsidiary**" means at any time any Subsidiary of the Issuer, the book value of the assets of which exceeds 10 per cent. of the Consolidated Assets of the Group or the revenues of which exceed 10 per cent. of the Consolidated Revenues of the Group and, for these purposes, the book value of the assets and revenues of such Subsidiary shall be determined by reference to the Issuer's then most recent audited consolidated annual financial statements as certified to the Trustee by the Auditors of the Issuer (as defined in the Trust Deed).

7.4 In these Terms and Conditions:

"**Consolidated Assets**" means the consolidated assets, tangible and intangible, of the Group as shown in the most recent audited consolidated financial statements of the Issuer;

"**Consolidated Revenues**" means the consolidated revenues of the Group as shown in the most recent audited consolidated financial statements of the Issuer;

"**Group**" means the Issuer and its Subsidiaries from time to time;

"**Guarantee**" means, in respect of any Indebtedness of any person, any obligation of another person to pay such Indebtedness including (without limitation):

- (a) any obligation to purchase such Indebtedness;
- (b) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;
- (c) any indemnity against the consequences of a default in the payment of such Indebtedness; and
- (d) any other agreement to be responsible for such Indebtedness;

"**Subsidiary**" means in respect of the Issuer at any particular time, any company or corporation:

- (a) which is controlled, directly or indirectly, by the Issuer; or
- (b) more than half of the issued share capital of which is beneficially owned, directly or indirectly, by the Issuer; or
- (c) which is a subsidiary of another subsidiary of the Issuer.

8. **Taxation**

8.1 All amounts payable (whether in respect of principal, interest or otherwise) in respect of the Notes will be made free and clear of and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Norway or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts receivable by the Holder after such withholding or deduction shall equal the respective amounts which would have been receivable by such Holder in the absence of such withholding or deduction; except that no such additional amounts shall be payable in relation to any payment in respect of any Note or Coupon:

- (a) to, or to a third party on behalf of, a Holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with Norway other than (a) the mere holding of such Note or Coupon or (b) the receipt of principal, interest or other amount in respect of such Note or Coupon; or
- (b) presented for payment more than thirty days after the Relevant Date, except to the extent that the relevant Holder would have been entitled to such additional amounts on presenting the same for payment on or before the expiry of such period of thirty days.

8.2 For the purposes of these Terms and 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 Principal Paying Agent (or as the case may be, the Registrar) or the Trustee on or prior to such due date, it means the first date on which, the full amount of such moneys having been so received and being available for payment to Holders, notice to that effect shall have been duly given to the Holders of the Notes of the relevant Series in accordance with Condition 14.

- 8.3 If the Issuer becomes subject generally at any time to any taxing jurisdiction other than or in addition to Norway, references in Condition 6.2 and Condition 8.1 to Norway shall be read and construed as references to Norway and/or to such other jurisdiction(s).
- 8.4 Any reference in these Terms and Conditions to "**principal**" and/or "**interest**" in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 8 or under any undertakings given in addition to or in substitution for this Condition pursuant to the Trust Deed. Unless the context otherwise requires, any reference in these Terms and Conditions to "**principal**" shall include any premium payable in respect of an Note, any Instalment Amount or Redemption Amount and any other amounts in the nature of principal payable pursuant to these Terms and Conditions and "**interest**" shall include all amounts payable pursuant to Condition 5 and any other amounts in the nature of interest payable pursuant to these Terms and Conditions.

9. **Payments**

9A **Payments – Bearer Notes**

9A.1 This Condition 9A is applicable in relation to Notes in bearer form.

9A.2 Payment of amounts (other than interest) due in respect of Bearer Notes will be made against presentation and (save in the case of partial payment or payment of an Instalment Amount (other than the final Instalment Amount)) surrender of the relevant Bearer Notes at the specified office of any of the Paying Agents.

Payment of Instalment Amounts (other than the final Instalment Amount) in respect of an Instalment Note which is a Definitive Note with Receipts will be made against presentation of the Note together (if applicable) with the relevant Receipt and surrender of such Receipt.

The Receipts are not and shall not in any circumstances be deemed to be documents of title and if separated from the Note to which they relate will not represent any obligation of the Issuer. Accordingly, the presentation of an Note without the relative Receipt or the presentation of a Receipt without the Note to which it appertains shall not entitle the Holder to any payment in respect of the relevant Instalment Amount.

9A.3 Payment of amounts in respect of interest on Bearer Notes will be made:

- (i) in the case of a Temporary Global Note or Permanent Global Note, against presentation of the relevant Temporary Global Note or Permanent Global Note to the order of any of the Paying Agents outside (unless Condition 9A.4 applies) the United States and, in the case of a Temporary Global Note, upon due certification as required therein;
- (ii) in the case of Definitive Notes without Coupons attached thereto at the time of their initial delivery, against presentation of the relevant Definitive Notes at the specified office of any of the Paying Agents outside (unless Condition 9A.4 applies) the United States; and
- (iii) in the case of Definitive Notes delivered with Coupons attached thereto at the time of their initial delivery, against surrender of the relevant Coupons or, in the case of interest due otherwise than on a scheduled date for the payment of interest, against presentation of the relevant Definitive Notes, in either case at the specified office of any of the Paying Agents outside (unless Condition 9A.4 applies) the United States.

9A.4 Payments of amounts due in respect of interest on the Bearer Notes and exchanges of Talons or Coupon sheets in accordance with Condition 9A.7 will not be made at the specified office of any Paying Agent in the United States (as defined in the United States Internal Revenue Code of 1986, as amended, and Regulations thereunder) unless (a) payment in full of amounts due in respect of

interest on such Notes when due or, as the case may be, the exchange of Talons at all the specified offices of the Paying Agents outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and (b) such payment or exchange is permitted by applicable United States law. If paragraphs (a) and (b) of the previous sentence apply, the Issuer shall forthwith appoint a further Paying Agent with a specified office in New York City.

9A.5 If the due date for payment of any amount due in respect of any Bearer Note is not a Relevant Financial Centre Day and a local banking day (both as defined in Condition 9C.3), then the Holder thereof will not be entitled to payment thereof until the next day which is such a day, and from such day and thereafter will be entitled to receive payment by cheque on any local banking day, and will be entitled to payment by transfer to a designated account on any day which is a local banking day, a Relevant Financial Centre Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Terms and Conditions in which event interest shall continue to accrue from the due date for payment as provided in Condition 5.8 or, if appropriate, Condition 5.11.

9A.6 Each Definitive Note initially delivered with Coupons, Talons or Receipts attached thereto should be presented and, save in the case of partial payment of the Redemption Amount, surrendered for final redemption together with all unmatured Receipts, Coupons and Talons relating thereto, failing which:

- (i) if the Final Terms specifies that this paragraph (i) of Condition 9A.6 is applicable (and, in the absence of specification, this paragraph (i) shall apply to Definitive Notes which bear interest at a fixed rate or rates or in fixed amounts) and subject as hereinafter provided, the amount of any missing unmatured Coupons (or, in the case of a payment not being made in full, that portion of the amount of such missing Coupon which the Redemption Amount paid bears to the total Redemption Amount due) (excluding, for this purpose, but without prejudice to paragraph (iii) below, Talons) will be deducted from the amount otherwise payable on such final redemption, the amount so deducted being payable against surrender of the relevant Coupon at the specified office of any of the Paying Agents at any time within ten years of the Relevant Date applicable to payment of such Redemption Amount;
- (ii) if the Final Terms specifies that this paragraph (ii) of Condition 9A.6 is applicable (and, in the absence of specification, this paragraph (ii) shall apply to Notes which bear interest at a floating rate or rates or in variable amounts) all unmatured Coupons (excluding, for this purpose, but without prejudice to paragraph (iii) below, Talons) relating to such Definitive Notes (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them;
- (iii) in the case of Definitive Notes initially delivered with Talons attached thereto, all unmatured Talons (whether or not surrendered therewith) shall become void and no exchange for Coupons shall be made thereafter in respect of them; and
- (iv) in the case of Definitive Notes initially delivered with Receipts attached thereto, all Receipts relating to such Notes in respect of a payment of an Instalment Amount which (but for such redemption) would have fallen due on a date after such due date for redemption (whether or not surrendered therewith) shall become void and no payment shall be made thereafter in respect of them.

The provisions of paragraph (i) of this Condition 9A.6 notwithstanding, if any Definitive Notes should be issued with a maturity date and an Interest Rate or Rates such that, on the presentation for payment of any such Definitive Note without any unmatured Coupons attached thereto or surrendered therewith, the amount required by paragraph (i) to be deducted would be greater than the Redemption Amount otherwise due for payment, then, upon the due date for redemption of any such Definitive Note, such unmatured Coupons (whether or not attached) shall become void (and no payment shall be made in respect thereof) as shall be required so that, upon application of the provisions of paragraph (i) in respect of such Coupons as have not so become void, the amount required by paragraph (i) to be deducted would not be greater than the Redemption Amount

otherwise due for payment. Where the application of the foregoing sentence requires some but not all of the unmatured Coupons relating to a Definitive Note to become void, the relevant Paying Agent shall determine which unmatured Coupons are to become void, and shall select for such purpose Coupons maturing on later dates in preference to Coupons maturing on earlier dates.

9A.7 In relation to Definitive Notes initially delivered with Talons attached thereto, on or after the due date for the payment of interest on which the final Coupon comprised in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent outside (unless Condition 9A.4 applies) the United States in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 10 below. Each Talon shall, for the purpose of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

9B Payments – Registered Notes

9B.1 This Condition 9B is applicable in relation to Notes in registered form.

9B.2 Payment of the Redemption Amount (together with accrued interest) due in respect of Registered Notes will be made against presentation and, save in the case of partial payment of the Redemption Amount, surrender of the relevant Registered Note Certificates at the specified office of the Registrar. If the due date for payment of the Redemption Amount of any Registered Note is not a Relevant Financial Centre Day and a local banking day (both as defined in Condition 9C.3), then the Holder thereof will not be entitled to payment thereof until the next day which is such a day, and from such day and thereafter will be entitled to receive payment by cheque on any local banking day, and, will be entitled to payment by transfer to a designated account on any day which is a local banking day, a Relevant Financial Centre Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant designated account is located and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Terms and Conditions in which event interest shall continue to accrue as provided in Condition 5.8 or, as appropriate, Condition 5.11.

9B.3 Payment of amounts (whether principal, interest or otherwise) due (other than the Redemption Amount) in respect of Registered Notes will be paid to the Holder thereof (or, in the case of joint Holders, the first-named) as appearing in the register kept by the Registrar at:

- (i) in the case of Registered Notes which are not in global certificate form, opening of business (local time in the place of the specified office of the Registrar) on the fifteenth Relevant Banking Day (as defined in Condition 2.7) before the due date for such payment; or
- (ii) in the case of Registered Notes which are in global certificate form, close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment where "**Clearing System Business Day**" means a day on which each clearing system for which the Registered Note is being held is open for business,

(the "**Record Date**").

9B.4 Notwithstanding the provisions of Condition 9C.2, payment of amounts (whether principal, interest or otherwise) due (other than the Redemption Amount) in respect of Registered Notes will be made in the currency in which such amount is due by cheque posted to the address (as recorded in the register held by the Registrar) of the Holder thereof on the Relevant Banking Day (as defined in Condition 2.7) not later than the relevant due date for payment unless prior to the relevant Record Date the Holder thereof has applied to the Registrar and the Registrar has acknowledged such application for payment to be made to a designated account denominated in the relevant currency (in the case aforesaid, a non-resident account with an authorised foreign exchange bank) in which case payment shall be made on the relevant due date for payment by transfer to such account. In the case of payment by transfer to an account, if the due date for any such payment is not a Relevant Financial Centre Day, then the Holder thereof will not be entitled to payment thereof until the first day thereafter which is a Relevant Financial Centre Day and a day on which commercial banks and foreign exchange markets settle payments in the relevant currency in the place where the relevant

designated account is located and no further payment on account of interest or otherwise shall be due in respect of such postponed payment unless there is a subsequent failure to pay in accordance with these Terms and Conditions in which event interest shall continue to accrue as provided in Condition 5.8 or, as appropriate, Condition 5.11.

9C **Payments – General Provisions**

9C.1 Save as otherwise specified in these Terms and Conditions, this Condition 9C is applicable in relation to Notes whether in bearer or in registered form.

9C.2 Payments of amounts due (whether principal, interest or otherwise) in respect of Notes will be made in the currency in which such amount is due (a) by cheque or (b) at the option of the payee, by transfer to an account denominated in the relevant currency specified by the payee (in the case of payment in Japanese Yen to a non-resident of Japan, a non-resident account with an authorised foreign exchange bank specified by the payee). Payments will, without prejudice to the provisions of Condition 8, be subject in all cases to (i) any applicable fiscal or other laws and regulations 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, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

9C.3 For the purposes of these Terms and Conditions:

- (i) "**Relevant Financial Centre Day**" means, in the case of any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments in the Relevant Financial Centre and in any other place specified in the Final Terms and, in the case of payment in euro, a TARGET Settlement Day; and
- (ii) "**local banking day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the place of presentation of the relevant Note or, as the case may be, Coupon.

9C.4 No commissions or expenses shall be charged to the holders of Notes or Coupons in respect of such payments.

9D **Redenomination**

9D.1 This Condition 9D is applicable to a Series of Notes only if it is specified in the Final Terms as being applicable.

9D.2 If the country of the Specified Currency (as defined below) adopts or announces its intention to adopt the euro as its lawful currency, the Issuer may, without the consent of the Holders of the Notes, the Receipts and the Coupons of such Series, on giving at least 30 days' prior notice to the Holders of the Notes of such Series in accordance with Condition 14 and to the Trustee, elect that, with effect from the Redenomination Date specified in the notice, the Notes of such Series shall be redenominated in euro.

9D.3 The election will have effect as follows:

- (i) each Specified Denomination (as defined below) and, in the case of Fixed Rate Notes, each amount specified on the Coupons will be deemed to be denominated in such amount of euro as is equivalent to its denomination or the amount of interest so specified in the Specified Currency at the rate of conversion of such Specified Currency into euro established by the Council of the European Union pursuant to the Treaty (including compliance with rules relating to rounding in accordance with European Union regulations), rounded down to the nearest euro 0.01;
- (ii) after the Redenomination Date (as defined below), all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Relevant Currency were to euro. Payments will be made in

euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;

- (iii) if the Notes are interest-bearing Notes (as described in Condition 5.2) and interest for any period ending on or after the Redenomination Date is required to be calculated for a period of less than one year, it will be calculated on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed fall in a leap year, the sum of (A) the number of those days falling in a leap year divided by 366 and (B) the number of those days falling in a non-leap year divided by 365);
- (iv) if the Notes are Floating Rate Notes (as described in Condition 5.3) the Final Terms will specify any relevant changes to the provisions relating to interest; and
- (v) such other changes shall be made to these Terms and Conditions as the Issuer may decide, with the prior written approval of the Trustee, and as may be specified in the notice, to conform them to conventions then applicable to Notes denominated in euro or to enable the Notes to be consolidated with Other Notes (as defined below) whether or not originally denominated in the Specified Currency or euro. Any such other changes will not take effect until after they have been notified to the Holders of the Notes in accordance with Condition 14.

9E Exchangeability

Where Exchangeability is specified in the applicable Final Terms as being applicable, the Issuer may without the consent of the Holders of the Notes, the Receipts and the Coupons of the relevant Series, on giving at least 30 days' prior notice to the Holders of the Notes in accordance with Condition 14, elect that, with effect from the Redenomination Date or such later date for payment of interest on the Notes as it may specify in the notice, the Notes shall be exchangeable for Notes expressed to be denominated in euro in accordance with such arrangements as the Issuer may decide, with the prior written approval of the Trustee and as may be specified in the notice, including arrangements under which Receipts and Coupons unmatured at the date so specified become void.

In these Terms and Conditions, the following expressions have the following meanings:

- (a) "**euro**" means the currency of those member states of the European Union that adopt the single currency in accordance with the Treaty;
- (b) "**Other Notes**" means, at any time, any one or more Series of other Notes of the Issuer which have the same or substantially the same Terms and Conditions (as then in effect and which have not lapsed and/or the rights in respect of which have not been exercised) as the Notes (other than in relation to the currency of original denomination and/or denomination and/or the Terms and Conditions relating to business days or interest accrual bases and/or the stock exchange(s) if any on which such Notes are listed and/or the clearing system(s) on which such Notes are cleared and settled and/or redenomination into euro and/or notices);
- (c) "**Redenomination Date**" means (in the case of interest bearing Notes) any date for payment of interest under the Notes or (in the case of non-interest bearing Notes) any date, in each case specified by the Issuer in the notice given to the Holders of Notes and to the Trustee pursuant to Condition 9D.2 above and which falls on or after the start of the third stage of European economic and monetary union pursuant to the Treaty or, if the country of the Specified Currency is not one of the countries then participating in such third stage, which falls on or after such later date as it does so participate;
- (d) "**Specified Currency**" means the currency specified in the Final Terms;
- (e) "**Specified Denomination**" means the denomination specified in the Final Terms; and
- (f) "**Treaty**" means the Treaty on the Functioning of the European Union.

9F **Payments – VPS Notes**

Payments of principal and interest in respect of VPS Notes will be made to the Noteholders shown in the records of the VPS in accordance with and subject to the rules and regulations from time to time governing the relevant Securities Depository.

10. **Prescription**

10.1 Claims against the Issuer for payment of principal and interest in respect of Notes will be prescribed and become void unless made, in the case of principal, within ten years or, in the case of interest, five years after the Relevant Date (as defined in Condition 8.2) for payment thereof.

10.2 In relation to Definitive Notes initially delivered with Talons attached thereto, there shall not be included in any Coupon sheet issued upon exchange of a Talon any Coupon which would be void upon issue pursuant to Condition 9A.6 or the due date for the payment of which would fall after the due date for the redemption of the relevant Note or which would be void pursuant to this Condition 10 or any Talon the maturity date of which would fall after the due date for redemption of the relevant Note.

11. **The Paying Agents, the Registrars, the VPS Account Manager and the Calculation Agent**

11.1 The initial Paying Agents, Registrars and VPS Account Manager and their respective initial specified offices are specified below. The Calculation Agent in respect of any Notes shall be specified in the Final Terms. The Issuer reserves the right at any time to vary or terminate (with the prior written approval of the Trustee) the appointment of any Paying Agent (including the Principal Paying Agent) or the Registrar or the Calculation Agent or the VPS Account Manager and to appoint additional or other Paying Agents or another Registrar or another Calculation Agent or another VPS Account Manager provided that it will at all times maintain (i) a Principal Paying Agent, (ii) in the case of Registered Notes, a Registrar, (iii) a Paying Agent (which may be the Principal Paying Agent) with a specified office in a continental European city, (iv) so long as the Notes are listed on Euronext Dublin and the Oslo Stock Exchange, a Paying Agent (which may be the Principal Paying Agent) and a Registrar each with a specified office in such other place as may be required by the rules of the relevant stock exchange, (v) in the circumstances described in Condition 9A.4, a Paying Agent with a specified office in New York City, (vi) a Calculation Agent where required by the Terms and Conditions applicable to any Notes (in the case of (i), (ii), (iii)), (vii) a Paying Agent with a specified office located in such place (if any) as may be required by the Terms and Conditions) and (viii) in the case of VPS Notes, a VPS Account Manager. The Paying Agents, the Registrar, the VPS Account Manager and the Calculation Agent reserve the right (with the prior written approval of the Trustee) at any time to change their respective specified offices to some other specified office in the same city. Notice of all changes in the identities or specified offices of any Paying Agent, the Registrar, the VPS Account Manager or the Calculation Agent will be given promptly by the Issuer to the Holders in accordance with Condition 14.

11.2 The Paying Agents, the Registrar and the Calculation Agent act solely as agents of the Issuer or, following the occurrence of an Event of Default or a Potential Event of Default the Trustee and, save as provided in the Agency Agreement or any other agreement entered into with respect to its appointment, do not assume any obligations towards or relationship of agency or trust for any Holder of any Note, Receipt or Coupon and each of them shall only be responsible for the performance of the duties and obligations expressly imposed upon it in the Agency Agreement or other agreement entered into with respect to its appointment or incidental thereto.

12. **Replacement of Notes**

If any Note, Registered Note Certificate, Receipt or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent or such Paying Agent or Paying Agents as may be specified for such purpose in the Final Terms (in the case of Bearer Notes and Coupons) or of the Registrar (in the case of Registered Notes) ("**Replacement Agent**"), subject to all applicable laws and the requirements of any competent listing authority and/or stock exchange on which the Notes are listed, upon payment by the claimant of all expenses incurred in connection with such replacement and upon such terms as to evidence, security, indemnity and otherwise as the Issuer and the Replacement Agent may require. Mutilated or

defaced Notes, Registered Note Certificates, Receipts and Coupons must be surrendered before replacements will be delivered therefor.

13. **Meetings of Noteholders, Modification and Waiver**

The Trust Deed contains provision for convening meetings of the Noteholders of any Series to consider any matter affecting their interest, including (without limitation) the modification of the Terms and Conditions or the Trust Deed. An Extraordinary Resolution passed at any meeting of the Noteholders of any Series will be binding on all the Noteholders of such Series, whether or not they are present at the meeting, and on all holders of Coupons or Receipts relating to Notes of such Series.

Any such meeting of the Noteholders may be convened at a physical location, or such other method (which may include, without limitation, a conference call or video conference) as the Trustee may approve in accordance with the provisions of the Trust Deed.

The Trust Deed contains provisions for the convening of a single meeting of Noteholders of more than one series of Notes where the Trustee so decides.

The Trustee may agree, without the consent of the Noteholders of any Series or the Coupons appertaining thereto, to any modification (subject to certain exceptions) of, or to the waiver or authorisation of any breach or proposed breach of, any of these Terms and Conditions or any of the provisions of the Trust Deed which, in the opinion of the Trustee, is not materially prejudicial to the interests of the holders of such Notes or to any modification which is of a formal, minor or technical nature or is made to correct a manifest error. In addition, the Trustee shall be obliged to concur with the Issuer in effecting any modification in the circumstances and as set out in Condition 5.4(iv) without the consent of the Noteholders or Couponholders. The Trustee may also determine that any event which would or might otherwise constitute an Event of Default under Condition 7 shall not do so, provided that, in the opinion of the Trustee, such event is not materially prejudicial to the interests of the Holders of the Notes of the relevant Series. Any such modification, waiver, authorisation or determination shall be binding on the Holders of the Notes of such Series and of the Receipts and of the Coupons (if any) relating thereto and (unless the Trustee agrees otherwise) any such modification shall be notified to the Holders of such Notes as soon as practicable thereafter in accordance with Condition 14.

In connection with the exercise of its powers, trusts, authorities or discretions (including but not limited to, those in relation to any proposed modification, waiver, authorisation, determination or assumption as aforesaid) in relation to any Series of Notes, the Trustee shall have regard to the interest of the Holders of such Notes as a class and, in particular, but without prejudice to the generality of the foregoing, shall not have regard to the consequences of such exercise for individual Holders resulting from their being, for any purpose, domiciled or resident in, or otherwise connected with, or subject to any jurisdiction of, any particular territory. No Holder of a Note or Coupon shall, in connection with any assumption as aforesaid, be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon individual Holders except to the extent already provided for in Condition 8.

In addition, pursuant to Condition 5.4, certain changes may be made to the interest calculation provisions of the Floating Rate Notes in the circumstances and as otherwise set out in such Condition, without the requirement for consent or approval of the Trustee or the Noteholders.

14. **Notices**

To Holders of Bearer Notes

- 14.1 Notices to Holders of Bearer Notes will, save where another means of effective communication has been specified herein or in the Final Terms, be deemed to be validly given if published in a leading daily newspaper having general circulation in the United Kingdom (which is expected to be the Financial Times) or, if such publication is not practicable, if published in a leading English language daily newspaper having general circulation in the United Kingdom (or, if permitted by the relevant listing authority or stock exchange, in the case of Notes represented by a Temporary Global Note or Permanent Global Note, if delivered to Euroclear and Clearstream, Luxembourg

and/or any other relevant clearing system for communication by them to the persons shown in their respective records as having interests therein). The Issuer shall also ensure that notices are duly published in compliance with the requirements of each listing authority or stock exchange on which the Notes are listed. Any notice so given will be deemed to have been validly given on the date of first such publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers) or, as the case may be, on the fourth weekday after the date of such delivery to Euroclear and Clearstream, Luxembourg and/or such other clearing system. Holders of Coupons will be deemed for all purposes to have notice of the contents of any notice given to Holders of Bearer Notes in accordance with this Condition.

To Holders of Registered Notes

- 14.2 Notices to Holders of Registered Notes will be deemed to be validly given if sent by first class mail (or equivalent) or (if posted to an overseas address) by air mail to them at their respective addresses as recorded in the register kept by the Registrar, and will be deemed to have been validly given on the fourth weekday after the date of such mailing or, if posted from another country, on the fifth such day.

To Holders of VPS Notes

- 14.3 Notices to Holders of VPS Notes shall be given in accordance with the rules and regulations set out by the VPS as amended from time to time.

15. Further Issues

The Issuer may from time to time, without the consent of the Holders of any Notes or Coupons, create and issue further instruments, bonds or debentures having the same terms and conditions as such Notes in all respects (or in all respects except for the first payment of interest, if any, on them and/or the denomination thereof) so as to form a single series with the Notes of any particular Series.

16. Law and Jurisdiction

- 16.1 The Notes and the Trust Deed and any non-contractual obligations arising out of or in connection with them are governed by English law. VPS Notes must comply with the Norwegian Securities Depository Act of 15 March 2019 no. 6, as amended from time to time and the holders of VPS Notes will be entitled to the rights and are subject to the obligations and liabilities which arise under this Act and any related regulations and legislation.

- 16.2 The Issuer has in the Trust Deed: (i) agreed that the courts of England shall have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes; (ii) agreed that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue that any other courts are more appropriate or convenient; (iii) designated a person in England to accept service of any process on its behalf; (iv) consented to the enforcement of any judgment; and (v) to the extent that it may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process, and to the extent that in any such jurisdiction there may be attributed to itself or its assets or revenues such immunity (whether or not claimed), agreed not to claim and irrevocably waived such immunity to the full extent permitted by the laws of such jurisdiction. The submission to the jurisdiction of the English courts by the Issuer in the Trust Deed is for the benefit of the Trustee and the Noteholders. Nothing contained in the Trust Deed prevents the Trustee or any of the Noteholders from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, the Trustee or any of the Noteholders may take concurrent Proceedings in any number of jurisdictions.

17. Rights of Third Parties

No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

FORM OF FINAL TERMS

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

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the Financial Services and Markets Act 2000, as amended (the "**FSMA**") to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]²

[EU MiFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**EU MiFID II**")/[EU MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]/[•]

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

The Final Terms in respect of each Tranche of Notes will be in the following form, duly completed to reflect the particular terms of the relevant Notes and their issue.

¹ Include where Part B item 9(vii) of the Final Terms specifies "Applicable".

² Include where Part B item 9(viii) of the Final Terms specifies "Applicable".

Final Terms dated [•]

STATNETT SF

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes] under the

€5,000,000,000

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 16 May 2024 [and the supplement to the Base Prospectus dated [•]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Regulation. These Final Terms contain the final terms of the Notes and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information.] / [Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the base prospectus dated 16 May 2024 (the "**Base Prospectus**"). These Final Terms contain the final terms of the Notes and, save in respect of the Conditions, must be read in conjunction with the Base Prospectus [and the supplemental Base Prospectus[es] dated [•]] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation.]

This document constitutes the Final Terms relating to the issue of Notes described herein for the purposes of the Prospectus Regulation. The Base Prospectus [and the supplemental Base Prospectus[es]] as well as these Final terms [has/have] been published on the website of (i) Euronext Dublin at <https://www.euronext.com/en/markets/dublin>; and (ii) the Oslo Stock Exchange at <https://newsweb.oslobors.no/>.

The expression "**Prospectus Regulation**" means Regulation 2017/1129.

1. (i) Series Number: [•]
(ii) Tranche Number: [•]
(iii) Date on which the Notes will be consolidated and form a single series: [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [•] on [[•]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [] below [which is expected to occur on or about []]
2. Specified Currency or Currencies: [•]
(Condition 1.12)
3. Aggregate Nominal Amount: [•]
(i) [Series:] [•]
(ii) [Tranche:] [•]
4. Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from the Interest Commencement Date/[•]]
5. (i) Specified Denominations: [•] [and integral multiples of [•]] subject to an initial minimum denomination of EUR 100,000 or its equivalent in any other currency
(Condition 1.9, 1.10 or 1.11)
(In the case of Registered Notes, this means the minimum integral [•])

- amount in which transfers can be made)
- (ii) Calculation Amount: [•]
6. (i) Issue Date: [•]
- (ii) Interest Commencement Date: [*Specify/Issue Date/Not Applicable*]
7. Maturity Date:
(Condition 6.1) [•]/[*in the case of Instalment Notes specify the Instalment Date(s) for repayment of each Instalment Amount*]
8. Interest Basis: [[•] per cent. Fixed Rate]
- [EURIBOR/STIBOR/NIBOR/SONIA/SONIA Compounded Index/SOFR/SOFR Compounded Index/€STR] +/- [•] per cent. Floating Rate]
- [Zero Coupon]
- (further particulars specified below at item [13]/[14]/[15])
9. Redemption/Payment Basis: [Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at the Maturity Redemption Amount]/ [•]
10. Change of Interest Basis: [[For the period from (and including) the Interest Commencement Date, up to (but excluding) [*date*] paragraph [13]/[14] applies and for the period from (and including) [•] to (but excluding) the Maturity Date, paragraph [13]/[14] applies]/Not Applicable]
11. Put/Call Options:
(Conditions 6.3, 6.6 and 6.7) [Investor Put - Change of Control]
[Investor Put]
[Issuer Call]
[Clean-up Call Option]
[Not Applicable]
12. Date Board approval for issuance of Notes obtained: [[•]/Not Applicable]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE (Condition 5)

13. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
- (i) Rate(s) of Interest: [•] per cent. per annum [payable in arrear] on each Interest Payment Date
- (ii) Interest Payment Date(s): [•] in each year [adjusted for payment purposes only in accordance with [•]/; not adjusted]
- (iii) Fixed Coupon Amount(s): [•] per Calculation Amount
- (iv) Broken Amount(s): [[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]/Not Applicable]

- (v) Day Count Fraction: 30/360 / Actual/Actual(ICMA) / Actual/Actual (ISDA) / Actual/365(Fixed) / Actual/360 / 30E/360 / 30E/360(ISDA)
- (vi) Determination Dates:
14. **Floating Rate Note Provisions** [Applicable/Not Applicable]
- (i) Specified Period: [•]
- (ii) Specified Interest Payment Dates: [•]
- (iii) First Interest Payment Date: [•]
- (iv) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/FRN Convention/Eurodollar Convention/No Adjustment]
- (v) Additional Business Centre(s): [Not Applicable]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (vii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Paying Agent): [Not Applicable / [•] shall be the Calculation Agent]
- (viii) Screen Rate Determination:
- Reference Rate: [•] month [EURIBOR/STIBOR/NIBOR/SONIA/SOFR/€STR/SONIA Compounded Index/SOFR Compounded Index]
 - Observation Method: [Lag/Observation Shift]
 - Lag Period: [5/[] TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days/Not Applicable]
 - Observation Shift Period: [5/[] TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days/Not Applicable]
 - D: [360/365/[]]/[Not Applicable]
 - Index Determination: [Applicable/Not Applicable]
 - SONIA Compounded Index: [Applicable/Not Applicable]
 - SOFR Compounded Index: [Applicable/Not Applicable]
 - Relevant Decimal Place: [] [5] (*unless otherwise specified in the Final Terms, it should be the fifth decimal place*)
 - Relevant Number of Index Days: [] [5] (*unless otherwise specified in the Final Terms, the Relevant Number shall be 5*)

- Interest Determination Date(s): [The first Business Day in the relevant Interest Period]/[London Banking Days/U.S. Government Securities Business Days/TARGET Settlement Days] prior to each Interest Payment Date]
 - Relevant Screen Page: [•]
 - Relevant Time: [•]
 - Relevant Financial Centre: [•]
- (ix) ISDA Determination: [Not Applicable/Issuer is [Fixed Rate/Fixed Amount/Fixed Price/Floating Rate/Floating Amount/Floating Price] Payer]
 ("ISDA Rate Notes" - Condition 5.6)
- Floating Rate Option: [•]
 - Designated Maturity: [•]
 - Reset Date: [•]
 - Interest Period End Dates: [•]
- (x) Linear Interpolation [Not Applicable/Applicable – the rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation] (*specify for each short or long interest period*)
- (xi) Relevant Margin(s): [+/-][•] per cent. per annum
- (xii) Minimum Rate of Interest: [•] per cent. per annum
- (xiii) Maximum Rate of Interest: [•] per cent. per annum
- (xiv) Day Count Fraction: [•]
 (Condition 5.12)
15. **Zero Coupon Note Provisions** [Applicable/Not Applicable]
 (Condition 5.10)
- (i) Accrual Yield: [•] per cent. per annum
 - (ii) Reference Bank: [•]
 (Condition 5.12)
 - (iii) Day Count Fraction in relation to Early Redemption Amounts: [•]

PROVISIONS RELATING TO REDEMPTION (Condition 6)

16. **Call Option** [Applicable/Not Applicable]
 (Condition 6.3)
- (i) Call Option Date(s): [[•]/Any day in the period from (and including) [date] to (but excluding) [[•]/ the Maturity Date]
 - (ii) Early Redemption Amount (Call) per Calculation Amount: [[•]/[•] per Calculation Amount/Make-Whole Redemption Price] [in the case of the Call Option Date(s) falling [on [•]]/[in the period from and

		including [date] to but excluding [date]] [and [[•] per Calculation Amount/Make-Whole Redemption Amount] [in the case of the Call Option Date(s) falling [on [•]/in the period from and including [date] to but <i>excluding</i> [date]]
(iii)	Make-Whole Redemption Price:	[Spens Amount/Make-Whole Redemption Amount/Not Applicable]
		<i>[(If Not Applicable, delete the rest of this paragraph)]</i>
	(a) Benchmark Security:	<i>[Insert applicable Benchmark Security]</i>
	(b) Reference Date:	[•]
	(c) Reference Time:	[•]
	(d) Make-Whole Margin:	[•] per cent.
	(e) Par Redemption Date:	[•]
	(f) Determination Agent:	[•]/Not Applicable]
	(f) Notice Period:	[5/[•]] Business Days, as set out in the redemption notice to Holders pursuant to Condition 6.4]
(iii)	If redeemable in part:	
	(a) Minimum Redemption Amount:	[•] per Calculation Amount
	(b) Maximum Redemption Amount	[•] per Calculation Amount
17.	Put Option (Condition 6.7)	[Applicable/Not Applicable]
	(i) Put Date(s):	[•]
	(ii) Early Termination Amount(s) per Calculation Amount:	[•] per Calculation Amount
	(iii) Notice Period:	[15/[•]] Business Days, as set out in the redemption notice to Holders pursuant to Condition 6.7]
18.	Clean-up Call Option	[Applicable/Not Applicable]
	(i) Clean-up Call Threshold:	[•] per cent.
	(ii) Optional Redemption Amount (Clean-up Call)	[•]
	(iii) Notice period (if different from the Conditions)	[Not less than [•] nor more than [•] days/[Not Applicable – in line with Condition 6.7]
19.	Early Redemption Amount	[[•] / [Par] per Calculation Amount / Not Applicable]
	(i) Early Redemption Amount(s) per Calculation Amount payable on	

redemption for taxation reasons or on event of default or other early redemption

- [(ii)] Date after which changes in law etc. entitle Issuer to redeem: [•]
20. **Final Redemption Amount of each Note** [•] per Calculation Amount
21. **Maturity Redemption Amount** [•]/[In the case of Instalment Notes specify Instalment Amount payable on the relevant Maturity Date]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. **Form of Notes:** [Bearer Notes]
- [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note] (Condition 1.2) [*In relation to any Notes with a minimum Specified Denomination plus a higher integral multiple of another smaller amount, note that "in the limited circumstances specified in the Permanent Global Note" should be selected.*]
- [Temporary Global Note exchangeable for Definitive Notes on [•] days' notice] (Condition 1.2) [*If issuing in this form, note that Notes with a minimum Specified Denomination plus a higher integral multiple of another smaller amount will not be permitted.*]
- [Permanent Global Note exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note] (Condition 1.5) [*In relation to any Notes with a minimum Specified Denomination plus a higher integral multiple of another smaller amount, note that "in the limited circumstances specified in the Permanent Global Note" should be selected.*]
- [Registered Notes]
- [VPS Notes issued in uncertificated book entry form]
23. **New Global Note:** [Yes] [No] [Not Applicable]
24. **Additional Financial Centre(s) or other special provisions relating to payment dates:** [Not Applicable]
25. **Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):** [Yes/No]

Signed on behalf of the Issuer:

By:

Duly authorised

PART B – OTHER INFORMATION

1. LISTING

- (i) Listing and Admission to trading: [Application is/has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the [regulated market of Euronext Dublin] [and] [regulated market of the Oslo Stock Exchange] with effect from the Issue Date/[•].]
- (ii) Estimate of total expenses related to admission to trading: [•]

2. RATINGS

[The issuance of Notes itself has not been rated/The Notes [have been/are expected to be] rated:

Moody's Deutschland GmbH: [•]

S&P Global Ratings Europe Limited: [•]

[EEA Registered and UK endorsed/certified]

[•] is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended.] [The rating [•] has given to the Notes is endorsed by [•], which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018.] / [•] has been certified under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018.] / [•] has not been certified under Regulation (EC) No 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the UK and registered under the UK CRA]

[UK Registered and EEA endorsed/certified]

[•] is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the rating it European Union (Withdrawal) Act 2018]. / [The rating [•] has given to the Notes is endorsed by [•], which is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended] / [•] has been certified under Regulation (EC) No 1060/2009, as amended. / [•] has not been certified under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation.]

[Add a brief explanation of the meaning of the ratings if previously published by the ratings provider.]

3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]

Save as discussed in "*Subscription and Sale*", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in future engage, in investment banking activities and or/commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. [Fixed Rate Notes only – YIELD]

Indication of yield: [•]/Not Applicable]

5. **[Floating Rate Notes only – HISTORIC INTEREST RATES**

Details of historic [EURIBOR/NIBOR/STIBOR/SONIA [Compounded Index]/SOFR [Compounded Index]/€STR] rates can be obtained from Reuters.]

6. **OPERATIONAL INFORMATION**

(i) ISIN Code: [•]

(ii) Common Code: [•]

[(iii) FISN [•]

[See the website of the Association of National Numbering Agencies (ANNA) or alternatively sources from the responsible National Numbering Agency that assigned the ISIN]]

[(iv) CFI Code [•]

[See the website of the Association of National Numbering Agencies (ANNA) or alternatively sources from the responsible National Numbering Agency that assigned the ISIN]]

(v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]

(vi) Delivery: Delivery [against/free of] payment

(vii) Names and addresses of additional Paying Agent(s) (if any): [•]

(viii) If issued in Registered Form:

Registrar: [Name and specified office]

(Condition 2.2)

(ix) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] /

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper,] [*include this text for registered notes*]]. Note that this

does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

7. [REASONS FOR THE OFFER

[General Corporate Purposes / [To [finance/refinance] [investment in] Green Projects meeting the Eligibility Criteria] / [•] / See "Use of Proceeds" in the Base Prospectus]

"**Eligibility Criteria**" means the criteria set out in the Issuer's Green Bond Framework (available on the Issuer's website at <http://www.statnett.no/en/investor-relations/>.)

8. [THIRD PARTY INFORMATION

(Relevant third party information) has been extracted from (specify source). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (specify source), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

9. DISTRIBUTION

- | | | |
|-------|--|--|
| (i) | Method of Distribution: | Syndicated/Non-syndicated |
| (ii) | Date of Subscription Agreement: | [Not Applicable/[•]] |
| (iii) | Stabilisation Manager(s) (if any): | [Not Applicable/[•]] |
| (iv) | If non-syndicated, name and address of Dealer: | [Not Applicable/[•]] |
| (v) | U.S. Selling Restrictions: | [Reg. S Compliance Category 2; TEFRA C/TEFRA D/ TEFRA not applicable] |
| (vi) | Relevant Benchmark[s]: | [[<i>specify benchmark</i>] is provided by [<i>administrator legal name</i>]][<i>repeat as necessary</i>]. As at the date hereof, [[<i>administrator legal name</i>][appears]/[does not appear]][<i>repeat as necessary</i>] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the EU Benchmarks Regulation]/[As far as the Issuer is aware, as at the date hereof, [<i>specify benchmark</i>] does not fall within the scope of the EU Benchmarks Regulation by virtue of Article 2 of the EU Benchmark Regulations] OR [the transitional provisions in Article 51 of the EU Benchmarks Regulation apply], such that [<i>administrator legal name</i>] is not currently required to obtain authorisation or registration (or if, if located outside the European Union, recognition, endorsement or equivalence)/ |

[[*specify benchmark*] is provided by [*administrator legal name*]][*repeat as necessary*]. As at the date hereof, [[*administrator legal name*][appears]/[does not appear]][*repeat as necessary*] in the register of administrators and benchmarks established and maintained by the FCA pursuant to [Article 36] (*Register of administrators and benchmarks*) of the UK Benchmarks Regulation]/[As far as the Issuer is aware, as at the date hereof,

[specify benchmark] does not fall within the scope of the UK Benchmarks Regulation]/ [As far as the Issuer is aware, the transitional provisions in Article 51 of UK Benchmarks Regulation apply, such that [name of administrator] is not currently required to obtain authorisation/registration (or, if located outside the UK, recognition, endorsement or equivalence)]/

[Not Applicable]

(vii) Prohibition of Sales to EEA Retail Investors

[Applicable/Not Applicable]

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

(viii) Prohibition of Sales to UK Retail Investors

[Applicable/Not Applicable]

(ix) Prohibition of sales to Belgian Consumers

[Applicable/Not Applicable]

10. ADDITIONAL PROVISIONS RELATING TO GREEN BONDS

Green Bonds:

[Yes/No]

Delete the rest of this paragraph if No

[Reviewer(s):]

[Name of sustainability rating agency(ies) [and name of third party assurance agent] and [give details of compliance opinion(s) and availability]]

[Date of Third Party Opinion(s):]

[Not Applicable/give details]

THE ISSUER'S BUSINESS

History and Development of the Issuer

The legal and commercial name of the Issuer is Statnett SF.

The Issuer is a state-owned enterprise registered in the Kingdom of Norway with registration number 962 986 633 and was incorporated on 20 December 1991.

The Issuer is governed by the State Enterprise Act of Norway 1991 (the "**Act**"), as amended from time to time. Following amendments to the Act, there are few differences in law between state-owned enterprises and limited liability companies divided by share. A state-owned enterprise is however, not allowed to issue shares and can only be owned by the Norwegian State. Furthermore, a state-owned enterprise cannot, without the consent of its general meeting, conclude any cooperation agreements whereby it accepts unlimited liability for any or all of the obligations under the agreement.

The registered office of the Issuer is Nydalen Allé 33, 0484 Oslo, Norway, and its telephone number is +47 23 90 30 00.

Recent Events

There are no recent events particular to the Issuer that are, to a material extent, relevant to the evaluation of its solvency.

Business overview

Principal Activities

The Issuer is the Norwegian Transmission System Operator ("**TSO**") for electricity. Being a TSO involves ownership and operation of the Norwegian high voltage electricity transmission grid (the "**Transmission Grid**") and responsibility for the coordination and day-to-day management of the entire Norwegian electricity system. The Issuer owns and administers the entire Transmission Grid.

The Transmission Grid includes subsea cables, power lines with voltages ranging from 132 kV to 420 kV and substations connecting high voltage lines with lower voltage installations.

Revenue

The Issuer's revenues derive principally from: (i) tariffs paid by users of the Transmission Grid, and (ii) congestion revenue from connections (i.e. the Issuer's power transmission lines and subsea cables) between price areas inside Norway and between Norway and other countries. Because the Issuer is in a monopoly situation, its revenues are regulated and supervised by Norwegian authorities, specifically the Norwegian Energy Regulatory Authority ("**RME**").

Each year, the RME sets an upper limit ("**Revenue Cap**"), on the amount of revenue the Issuer may earn. This Revenue Cap forms the basis for setting the level of tariffs that the users of the Transmission Grid have to pay. The basic principle for the RME is that the revenues earned should cover costs over time, as well as providing a reasonable return on investment in the Transmission Grid for efficient operators.

Actual revenues may be higher or lower than the Revenue Cap set for a year. In such cases, the difference will be made up in the following years.

The basis for calculating the return is a regulated rate of return and the book value of the Issuer's transmission assets. The regulated rate of return is a Weighted Average Cost of Capital/Capital Asset Pricing Model-based formula. The book value is updated annually with full effect on the same year's Revenue Cap, and there is therefore no time lag from completion of an investment to the increase in Revenue Cap.

Business Operations

The Issuer's main business involves the operation and maintenance of its electricity transmission lines, subsea cables and substations. As a TSO, however, the Issuer has a system-wide responsibility for the entire Norwegian electricity power system as defined in the Energy Act (laid down by the Norwegian

Parliament), and through regulations laid down by the RME, especially regulations regarding system responsibility in the power system. In short, the system responsibility covers:

- (i) coordination and day-to-day management of the entire Norwegian electricity power system, in order to ensure a balance between electricity generation and consumption;
- (ii) efficient operation of the Transmission Grid, including interconnections; and
- (iii) in the long-term, ensuring quality of power supplied through development and investment in the Transmission Grid.

In addition to the business described above, the Issuer carries out the following tasks according to concessions granted by the RME:

(a) *Arrangements relating to tariffing*

The Revenue Cap forms the basis for the tariff that the Issuer collects from the users of the Transmission Grid. Any accumulated deviation between actual revenues collected through tariffs and the Revenue Cap will be made up by adjusting tariffs in subsequent years.

(b) *Balance settlement*

The balance settlement is administered by the Issuer in order to settle imbalances between actual production and consumption of electricity to ensure economical balance in the power market. This also involves the settlement of power required at short notice to maintain the system balance. The operational task to perform the balance settlement is outsourced to eSett Oy ("eSett") in Finland. eSett operates the balance settlement on behalf of the TSOs in Finland, Sweden, Norway and Denmark in line with a harmonized set of rules. The Issuer is still responsible for the national balance settlement in accordance with the national regulation and for verifying that the imbalance settlement model and eSett fulfilling such regulations.

(c) *Elhub*

Elhub is a separate operations area assigned to the Issuer by the RME through the electricity imbalance settlement licence and will support market processes and distribution of metering values in the Norwegian electricity market. The Elhub-business has been organized as a subsidiary company wholly owned by the Issuer, Elhub AS ("**Elhub**"), performing the data hub tasks on behalf of the Issuer. Elhub has developed a data hub which started commercial operations in February 2019.

(d) *Elcertificates and Guarantees of Origin*

Elcertificates is a support scheme for electricity produced from renewable sources. The power consumers finance the support by paying more for their electricity consumption. The power suppliers add the costs for the Elcertificates to the cost of the electricity.

Guarantees of Origin ("**GO**") is a European label scheme for electricity. Through this scheme, a power consumer can receive documentation that a given amount of electricity has been produced from a certain energy source.

The Issuer is appointed as the issuing body for Elcertificates and GOs by the Norwegian Ministry of Energy. The Norwegian Energy Certificates System (NECS) is the register for GOs in Norway and keeps track of all issued certificates, account holders inventories, transactions and the Elcertificate annual settlement process.

The Renewables Directive 2009/28/EC specifies that all producers of renewable power have a right to receive GOs for their renewable power production, on a request from the producer. The Norwegian Energy act § 4-3 states that the Issuer has a duty to issue GOs. GOs and Elcertificates are issued based on meter values from Elhub.

The EU Third Internal Energy Market Package and appurtenant regulations

On 22 March 2018, the Norwegian Parliament approved certain amendments to the Energy Act in order to implement the EU's Third Internal Energy Market Package. The amendments entered into force in November 2019. The amendments to the Energy Act impacts the Issuer in different ways and implies *inter alia* that the Issuer shall assume ownership over the parts of the Transmission Grid that were not owned by the Issuer.

Due to implementation in Norway of EU's Third Internal Energy Market Package, the Issuer has acquired transmission grid facilities in several locations in Norway. Many of the acquired facilities are in need of rehabilitation and new investments, which the Issuer has planned for.

Following the EU's Third Internal Energy Market Package, the EU has so far adopted four network codes and four guidelines by way of commission regulations, providing detailed rules on the management and operation of specific parts of the energy market. The four guidelines on transmission system operations, capacity allocation and congestion management, electricity balancing and forward capacity allocation were implemented into Norwegian law in August 2021, and have implications for the Issuer's business and the Issuer's rights and obligations as the Norwegian TSO. Moreover, the Issuer is participating in the Nordic and European work on establishing methodologies with further details on how to perform the role as TSO under several of the mentioned EU guidelines.

Interconnectors

The Issuer's interconnectors connect the Norwegian market with a foreign market. Revenues derive from price differences between the two connected price areas and the power volume transmitted. The price differences arise from differences between the interconnected power markets, such as electricity power generation from different sources, differences in demand patterns and limited transmission capacity or congestions. Ownership of the interconnector assets are divided, so that the Issuer owns assets in and offshore Norway, while the partner owns assets in its home country and offshore that country.

The Issuer holds a 50 per cent interest in each interconnector, while a TSO and/or TSO related partner in the connected market holds the other 50 per cent interest. Revenues and costs are shared equally on a 50/50 per cent basis between the Issuer and the partner in the connected market. Investments in interconnectors, like any other grid investment, will be taken into account by the RME when calculating future Revenue Caps. Consequently, the Issuer's customers will indirectly bear the risks and rewards of the fluctuations in congestion revenues over time. The Issuer's deployment of congestion revenue from interconnectors is regulated through the EU's Third Internal Energy Market Package, with further amendments in the EU's Fourth Internal Energy Market Package which is not yet implemented in Norway.

The Netherlands

The Issuer and the Dutch TSO, TenneT, jointly own and operate a subsea high-voltage cable ("**NorNed**") between Norway and the Netherlands. NorNed was put into operation in May 2008 and interconnects the Dutch and Norwegian electricity grids.

Sweden and Denmark

Norway has interconnectors with Sweden (overhead lines) and Denmark (subsea cables), operated jointly with the Swedish and Danish TSOs.

Germany

The subsea high-voltage cable ("**NordLink**") between Norway and Germany commenced normal operations in March 2021 and was officially opened in May 2021. The Norwegian part of NordLink became part of the regulatory asset base of the Issuer from 2019.

UK

The construction of a subsea high-voltage cable ("**North Sea Link**" or "**NSL**") between Norway and England was completed in June 2021. Testing was conducted throughout the summer and in October 2021, and the interconnector went into trial operation. Trial operations concluded in the fall of 2022 and NSL has since been in ordinary operation.

Organisational Structure

The Issuer is the main operational company in the Issuer's group. However, it has several subsidiaries and associated companies, of which the following are the most significant:

- (i) Nord Link Norge AS (100 per cent owned): The ownership in the interconnector from Norway to Germany is shared equally on a 50/50 per cent basis, and the Issuer owns the Northern part of the interconnector through this company;
- (ii) Elhub AS (100 per cent owned): Elhub has developed and operates a datahub for metering data for electricity in Norway;
- (iii) Statnett Forsikring AS (100 per cent owned): Statnett Forsikring AS is a captive insurance company, which only insures the risks of the Issuer and Subsidiaries within the Group;
- (iv) Fifty AS (50 per cent owned). The remaining shares are owned by Svenska kraftnät, the Swedish TSO. This company develops IT solutions for the benefit of its owners and the other Nordic TSOs, particularly relating to balancing;
- (v) TSO Holding AS ("**TSO Holding**") (32.2 per cent owned). TSO Holding is an associated company which owns 34 per cent of the shares in Nord Pool Holding AS. The remaining 66 per cent is owned by Euronext. Nord Pool Holding AS is the sole owner of the shares in Nord Pool AS, operating one of the leading European power exchanges, and European Market Coupling Operator AS;
- (vi) eSett OY (25 per cent owned). The remaining shares are equally owned by Svenska kraftnät (the Swedish TSO), Fingrid (the Finnish TSO) and Energinet (the Danish TSO.). eSett is responsible for imbalance settlement and invoicing services for the TSOs; and
- (vii) Nordic RCC A/S (25 per cent. owned). Nordic RCC A/S was established on 1 January 2022 and entered into operation on 1 July 2022. The remaining shares are equally owned by Svenska kraftnät (the Swedish TSO), Fingrid (the Finnish TSO) and Energinet (the Danish TSO). Nordic RCC A/S helps the Nordic TSOs maintain operational security in the Nordic power system, by calculating transmission capacity to the market and coordinating disconnections. Transactions between the parties are carried out according to the arm's length principle.

Trend Information

There has been no material adverse change in the prospects of the Issuer since 31 December 2023.

Profit Forecasts or Estimates

The Issuer does not intend to make or imply any profit forecasts or estimates in this Base Prospectus. No statement contained in this Base Prospectus should be interpreted as a forecast or estimate.

Administrative, Management and Supervisory Bodies

Senior Management Team

The Senior Management Team of the Issuer consists of:

Name	Function
Hilde Merete Tonne	President and CEO
Håkon Borgen	Executive Vice President, Offshore Development
Catherine Lund Larsen	Executive Vice President and CFO

Peer Olav Østli	Executive Vice President, System Operations
Elisabeth Vike Vardheim	Executive Vice President, Grid and Asset Management
Gunnar G. Løvås	Executive Vice President, Markets and System Development
Beate Sander Krogstad	Executive Vice President, Digital and IT
Ingeborg Øfsthus	Executive Vice President, Technology and Transformation
Anne Wilhelmine Flagstad	Executive Vice President, People and Sustainability

The business address of each member of the Senior Management Team is Nydalen Allé 33, 0484 Oslo, Norway.

Each member of the Senior Management Team is a full-time employee of the Issuer and does not have any significant activities outside the Issuer.

The list above represents the organisational structure and management of the Issuer, as of the date of this Base Prospectus. Investors should note that on 2 May 2024, Ms. Hilde Merete Tonne informed the Board of Directors that she will step down from her position as President and CEO of the Issuer. Ms. Tonne has a notification period of 6 months and will remain at the Issuer until a temporary or permanent successor is in place. The Board of Directors has started the process of finding her successor.

Board of Directors

Pursuant to the Issuer's articles of association, the Board of Directors consists of between seven to nine members. The Issuer's employees must elect three members of the Board of Directors.

Name	Function	Principal activities outside the Issuer	Address
Nils Kristian Nakstad	Chair of the Board	CEO of Enova SF, state owned climate fund investing in climate reducing technologies and solutions	Cicilieveien 4, 7020 Trondheim
Egil Gjesteland	Board Member	Senior Consultant, Self-employed, Board member of Egypt Solar BV	Løvliveien 13, 3470 Slemmestad
Maria Sandsmark	Board Member	Scientist, Møreforskning, Høgskolen i Molde	Anders Sandvigs veg 10, 6414 Molde
Christian Reusch	Board Member	Lawyer/partner at Advokatfirmaet Simonsen Vogt Wiig	Lillevannsveien 66, 0788 Oslo

Wenche Teigland	Deputy Chair	Investor and advisor for start-up companies, CEO of Fount AS, Board member of Enova SF, Bergen Carbon Solutions, Really AS and Aragon AS	Rieber-Mohns veg 27, 5232 Paradis
Hilde Singsaas	Board Member	Director General of The Norwegian Agency for Public and Financial Management	Brinken 39B, 0654 Oslo
Steinar Jøråndstad	Board Member	Energy technology specialist, Statnett SF	Statnett SF, Vågåmo Stasjonsgruppe, 2680 Vågå
Ingeborg Ligaarden	Board Member	Head of Section for Data Science, Statnett SF	Statnett SF, PO Box 4904, Nydalen 0423 Oslo
Rolf Korneliussen	Board Member	Senior Market Analyst, Statnett SF	Statnett SF, PO Box 4904, Nydalen 0423 Oslo

There are no potential conflicts of interest between the duties to the Issuer of any of the members of the Senior Management Team or the Board of Directors listed above and their private interests or their other duties.

Owner

The Issuer is wholly owned by the Norwegian State. A Norwegian state-owned enterprise can have no owner other than the Norwegian State, and as such there are no arrangements in place of which may result in a change of control of the Issuer.

Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses

Historical Annual Financial Information

The following audited consolidated annual financial information in relation to the Issuer for its financial years ended 31 December 2023 (the "**2023 Annual and Sustainability Report**") and 31 December 2022 (the "**2022 Annual and Sustainability Report**", together with the 2023 Annual and Sustainability Report, the "**Annual Reports**") is contained, at the locations listed, in its Annual Reports for those periods prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the EU. Such audited consolidated financial annual financial information is incorporated by reference into this Base Prospectus (see "*Information Incorporated by Reference*"):

- (i) the balance sheets (on page 93 of the 2023 Annual and Sustainability Report and on page 66 of the 2022 Annual and Sustainability Report);
- (ii) the statements of comprehensive income (on page 92 of the 2023 Annual and Sustainability Report and on page 65 of the 2022 Annual and Sustainability Report); and
- (iii) the accounting policies and explanatory notes (on pages 99-162 of the 2023 Annual and Sustainability Report and on pages 69-137 of the 2022 Annual and Sustainability Report).

The financial statements referred to above contain both the Issuer's own financial statements and consolidated financial statements for the Group.

Credit ratings of the Issuer

The Issuer is currently assigned ratings of A2 by Moody's Deutschland GmbH, and A+ by S&P Global Ratings Europe Limited. Each credit rating agency is established in the EEA and is registered under the EU CRA Regulation.

TAXATION

NORWEGIAN TAXATION

The following is a general summary of Norwegian tax considerations relating to acquisitions, holding and disposal of Notes issued under the Programme. The information does not purport to be a complete summary of Norwegian tax law and practice currently applicable. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date. Such changes could be made on a retrospective basis.

The tax laws of the investor's state and of the Issuer's state of incorporation might have an impact on the income received from the securities. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries.

Norwegian tax legislation does not currently include statutory legislation relating specifically to Notes. Instead, taxation treatment must be derived from general tax rules and principles applicable to capital income and capital gains. Therefore, the answers to certain questions in respect of the legal basis and principles of recognition of income related to the Notes may be uncertain. The Final Terms, may cause the taxation of the Notes to depart from the taxation treatment described in this summary.

Due to the general nature of this summary, potential investors are advised to consult with and rely upon their own tax advisers. Noteholders tax resident in jurisdictions other than Norway should consult with and rely upon local tax advisers as regards the tax position in their country of residence.

Non-Norwegian holders

Payment of interest

With effect from 1 July 2021, interests that are paid from an entity with full or limited tax liability to Norway to a recipient that is tax resident in a low-tax jurisdiction outside of Norway shall be subject to 15 per cent withholding tax to the extent the recipient is a related party to the payor. The definition of a related party is linked to whether there is a direct or indirect ownership or control by at least 50 per cent. A low-tax jurisdiction is defined as a jurisdiction that has an efficient tax rate that is less than two-thirds of the effective Norwegian tax rate on similar income. Recipients that are genuinely established within the European Economic Area and conduct real economic activity there, will not be subject to withholding tax under the new rules.

As the new rules will not apply to interest payments between unrelated parties the new rules for withholding tax will not apply to interest on the Notes. Payments of principal and interest on the Notes to persons or legal entities having no connection with Norway other than the holding of Notes issued by the Issuer, and therefore not considered resident in Norway for tax purposes, (nor considered to hold the Notes in connection with business activities conducted or managed in Norway), are thus not subject to any withholding or deduction for or on account of any Norwegian taxes, duties, assessments or Governmental charges.

Sale, exchange and redemption of Notes

Gains or profits realised on the sale, exchange or redemption of the Notes by persons or legal entities having no connection with Norway other than the holding of Notes issued by the Issuer, and therefore not considered resident in Norway for tax purposes (nor considered to hold the Notes in connection with business activities conducted or managed in Norway), are not subject to Norwegian taxes, duties, assessments or Governmental charges.

Stamp duties and net wealth taxation

No Norwegian issue tax or stamp duties are payable in connection with the issue of the Notes.

Notes held by persons or legal entities having no connection with Norway other than the holding of Notes, and therefore not considered resident in Norway for tax purposes (nor considered to hold the Notes in

connection with business activities conducted or managed in Norway), will not be subject to net wealth taxation in Norway.

Norwegian holders

Payment of interest

Holders of Notes resident in Norway for tax purposes will be subject to Norwegian capital income taxation on interest which is currently 22 per cent. The same applies to persons and legal entities that hold the Notes in connection with any business activity conducted or managed in Norway.

Interest is generally recognised for tax purposes at the time the interest is considered acquired on an accrual basis. This means that neither the actual payment nor the due date of possible payment of interest is as a starting point decisive when determining when interest deriving from the Notes is recognised for tax purposes.

Sale, exchange and redemption of Notes

Holders of Notes resident in Norway for tax purposes are taxed in Norway on realised gains (including sale, exchange and redemption) of Notes and have a right to deduct losses, which arise on such realisation, provided that one of the following conditions is met:

- the Notes are classified as debentures ("*mengdegjeldsbrev*") as opposed to non-negotiable debt, or
- the realisation of the Notes is connected to business activities.

Gains are taxable as ordinary income, currently at a rate of 22 per cent. Losses are deductible at the same rate. This will include gains or losses attributed to any change in the denominated currency (other than NOK). Such gains or losses are taxable event if the Notes are not classified as debentures or not connected to business activities. Such gains will further be subject to special timing rules for tax purposes.

The same applies to persons and legal entities that hold the Notes in connection with any business activity conducted or managed in Norway.

Net wealth taxation

For holders of Notes resident in Norway for tax purposes or that hold the Notes in connection with business activities conducted or managed in Norway, except limited liability companies and similar entities, the Notes will be taken into account for net wealth tax purposes in Norway. Listed Notes are valued at the market value on 1 January in the assessment year. The marginal rate of net wealth tax is 1.00% on net wealth up to NOK 20,000,000. Net wealth above NOK 20,000,000 is taxed at a rate of 1.1%.

THE US FOREIGN ACCOUNT TAX COMPLIANCE ACT ("FATCA")

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including the Kingdom of Norway) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date.

However, if additional notes (as described under "Terms and Conditions—Further Issues") that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

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 State"). Estonia has since officially announced its withdrawal from the negotiations.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Instruments (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 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.

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

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

SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of Barclays Bank Ireland PLC, BNP Paribas, Danske Bank A/S, DNB Bank ASA, NatWest Markets N.V., Nordea Bank Abp, Svenska Handelsbanken AB (publ), Skandinaviska Enskilda Banken AB (publ) and any other dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes (the "**Dealers**"). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased and paid for by, Dealers are set out in an amended and restated dealer agreement dated 25 May 2023 (as the same may from time to time be further amended supplemented or restated, the "**Dealer Agreement**") and made between the Issuer and the Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

United States of America

Regulation S Category 1 TEFRA D, unless TEFRA C is specified as applicable in the relevant Final Terms or neither if TEFRA is specified as not applicable in the relevant Final Terms

Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold or (in the case of Bearer Notes) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code of 1986, as amended, and regulations thereunder. The applicable Final Terms will identify whether TEFRA C or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, to the Issuer that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until forty days after the completion of the distribution of the Notes comprising the relevant Tranche, within the United States or, to or for the account or benefit of, U.S. persons, other than pursuant to Rule 144A, and such Dealer and its affiliates will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto, a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until forty days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (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 Rule 144A or another exemption from registration under the Securities Act.

Norway

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless the Issuer has confirmed in writing to each Dealer that the Base Prospectus has been filed with and approved by the Financial Supervisory Authority of Norway, it has not, directly or indirectly, offered or sold and will not directly or indirectly, offer or sell any Notes in Norway or to residents of Norway, other than:

- (a) in respect of an offer of Notes addressed to investors subject to a minimum purchase of Notes for a total consideration of not less than €100,000 per investor cf. the Prospectus Regulation Article 1 no. 4 (c) as incorporated into Norwegian law pursuant to Section 7-1 of the Securities Trading Act of 29 June 2007 No. 75. (the "**Securities Trading Act**"); or

- (b) to "qualified investors" as defined in the Prospectus Regulation Article 2 (e), cf. Article 1 no. 4 (a), as incorporated into Norwegian law pursuant to Section 7-1 of the Securities Trading Act; or
- (c) to fewer than 150 natural or legal persons (other than "qualified investors") as defined the Prospectus Regulation Article 2 (e), cf. Article 1 no. 4 (b), as incorporated into Norwegian law pursuant to Section 7-1 of the Securities Trading Act), subject to obtaining the prior consent of the relevant Dealer or Dealers for any such offer; or
- (d) in any other circumstances provided that no such offer of Notes shall result in a requirement for the registration, or the publication by the Issuer or the Dealer or Dealers of a prospectus pursuant to the Prospectus Regulation Article 1 no. 4 and no. 6 as incorporated into Norwegian law pursuant to Section 7-1 of the Securities Trading Act.

The Notes shall be registered in accordance with section 3-1 of the Norwegian Securities Depository Act of 15 March 2019 no. 6 in a Securities Depository approved or acknowledged under the EU central securities depositories (CSD) regulation (Regulation (EU) No 909/2014 of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012) which unless otherwise specified in the Final Terms will be the VPS unless (i) the Notes are denominated in NOK, issued outside of Norway and reserved for and only sold and offered to non-Norwegian residents and entities, or (ii) the Notes are denominated in a currency other than NOK and issued outside of Norway.

Further, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes will only be sold in Norway to investors who have sufficient knowledge and experience to understand the risks involved with investing in the Notes. See also the selling restriction "Prohibition of Sales to EEA and UK Retail Investors" below.

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 "**FIEA**") 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, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan.

The Netherlands

Each Dealer has further represented and agreed that it has not, directly or indirectly, offered, sold, transferred or delivered, and will not, directly or indirectly, offer, sell, transfer or deliver any Zero Coupon Notes in The Netherlands as part of their initial distribution (or immediately thereafter) or as part of any re-offering. As used herein "**Zero Coupon Notes**" are Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

Belgium

Each Dealer has represented and agreed that it has not advertised, offered, sold or delivered and will not advertise, offer, sell or deliver, directly or indirectly, Notes to any Belgian Consumers, and has not distributed or caused to be distributed and will not distribute or cause to be distributed, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer. For these purposes, a "**Belgian Consumer**" has the meaning provided by the Belgian Code of Economic Law, as amended from time to time (*Wetboek van 28 februari 2013 van*

economisch recht/Code du 28 février 2013 de droit économique), being any natural person resident or located in Belgium and acting for purposes which are outside his/her trade, business or profession

Prohibition of Sales to EEA Retail Investors

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

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or
 - (ii) a customer within the meaning Directive (EU) 2016/97 ("**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II.
- (b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Prohibition of sales to UK Retail Investors

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

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

Selling Restrictions Addressing Additional United Kingdom Securities Laws

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

- (a) *No deposit-taking*: in relation to any Notes having a maturity of less than one year:
 - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and

- (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
 - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) *Financial promotion*: 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 FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, form or otherwise involving the United Kingdom.

General

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will (to the best of its knowledge and belief) comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells Notes or possesses or distributes this Base Prospectus or any other material relating to the issue, offering and/or sale of Notes and will obtain any consent, approval or permission required by it for the purchase, offer or sale by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales and neither the Issuer nor any other Dealer shall have any responsibility therefor. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed "*General*" above.

GENERAL INFORMATION

1. The admission of the Programme to listing on the Euronext Dublin Official List and trading on the regulated market of Euronext Dublin is expected to take effect on or about 16 May 2024. The listing of the Notes on Euronext Dublin will be expressed as a percentage of their principal amount (exclusive of accrued interest). Any Tranche of Notes intended to be admitted to listing on the Euronext Dublin Official List and trading on the regulated market of Euronext Dublin will be so admitted to listing and trading upon submission to the Central Bank of Ireland and Euronext Dublin of the relevant Final Terms and any other information required by the Central Bank of Ireland and Euronext Dublin subject in each case to the issue of the relevant Notes. Prior to official listing, dealings will normally be permitted by Euronext Dublin in accordance with its rules. Transactions will normally be effected for delivery on the third working day after the day of the transaction.
2. Notes may also be issued pursuant to the Programme which will be admitted to listing, trading and/or quotation on the Oslo Stock Exchange as may be agreed between the Issuer and the relevant Dealer(s) and specified in the relevant Final Terms. Notes issued under the Programme may also be unlisted, or may be listed on a non-EU regulated market.
3. The establishment of the Programme was authorised by a Meeting of the Board of Directors of the Issuer by a resolution (a "**Board Resolution**") passed on 12 December 1996. The update of the Programme was authorised by a Board Resolution passed on 21 March 2024. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.
4. The Legal Entity Identifier (LEI) code of the Issuer is 5967007LIEEXZXHAI017.
5. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code, the International Securities Identification Number (ISIN), the Financial Instrument Short Name (FISN) and Classification of Financial Instruments (CFI) code (as applicable) in relation to the Notes of each Tranche will be specified in the relevant Final Terms in relation to the Notes of each Series.
6. The Issuer is not, and has not been, involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have, or have had during the 12 months period prior to the date of this Base Prospectus, a significant effect on its financial position or profitability and or that of the Group.
7. Since 31 December 2023, there has been no significant change in the financial performance or financial position of the Issuer and its subsidiaries and since 31 December 2023 there has been no material adverse change in the prospects of the Issuer and its subsidiaries.
8. The financial statements of the Issuer have been audited for the two financial years ended 31 December 2022 and 31 December 2023 by Deloitte AS, independent public auditors of the Issuer for that period, and unqualified opinions have been reported thereon. The address of Deloitte AS is Dronning Eufemias gate 14, Postboks 221 Sentrum, NO-0103 Oslo, Norway. Deloitte AS is a member of the Norwegian Institute of Public Accountants.
9. For so long as the Programme remains in effect or any Notes shall be outstanding, copies and, where appropriate, English translations of the following documents may be inspected (i) at the Issuer's website, <https://www.statnett.no/en/about-statnett/investor-relations/loan-documentation/>, and (ii) during normal business hours at the specified office of the Principal Paying Agent and Registrar and from the head office of the Issuer, namely:
 - (a) the Articles of Association (*Vedtekter*) and Company Certificate (*Firmaattest*) of the Issuer;
 - (b) the current base prospectus for the Programme, together with any amendments thereto;
 - (c) the Agency Agreement;
 - (d) the Trust Deed;

- (e) the most recent publicly available audited consolidated financial statements of the Issuer for the years ended 31 December 2023 and 31 December 2022;
 - (f) the most recent publicly available unaudited consolidated interim financial statements of the Issuer;
 - (g) any Final Terms relating to Notes which are admitted to listing, trading and for quotation by any listing authority, stock exchange and/or quotation system; and
 - (h) the Issuer ICSDs Agreement (which is entered into between the Issuer and Euroclear and/or Clearstream, Luxembourg with respect to the settlement in Euroclear and/or Clearstream, Luxembourg of Notes in New Global Note form).
10. Bearer Notes (other than Temporary Global Notes) and any Coupon appertaining thereto will bear a legend substantially to the following effect: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code of 1986, as amended." The sections referred to in such legend provide that a United States person who holds a Bearer Note or Coupon generally will not be allowed to deduct any loss realised on the sale, exchange or redemption of such Bearer Note or Coupon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.
 11. Settlement arrangements will be agreed between the Issuer, the relevant Dealer and the Principal Paying Agent or, as the case may be, the Registrar in relation to each Tranche of Notes.
 12. The yield of each Tranche of Notes bearing interest at a fixed rate as set out in the relevant Final Terms will be calculated as of the relevant issue date on an annual or semi-annual basis using the relevant issue price. It is not an indication of future yield.
 13. Other than as may be required in respect of Green Bonds, the Issuer does not intend to provide any post issuance information in relation to any issue of Notes.
 14. Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.
 15. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.
 16. Walkers Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Euronext Dublin Official List of or to trading on the regulated market of Euronext Dublin for the purposes of the Prospectus Regulation.

Issuer website

The Issuer's website is <https://www.statnett.no/en/>. Unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.

Validity of prospectus and prospectus supplements

For the avoidance of doubt, the Issuer shall have no obligation to supplement this Base Prospectus after the end of its 12-month validity period.

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