

BASE PROSPECTUS



SAMPO PLC

(incorporated with limited liability in Finland)

EUR 4,000,000,000

Euro Medium Term Note Programme

This Base Prospectus has been approved by the United Kingdom Financial Conduct Authority (the "FCA") as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The FCA has only approved 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 of 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 such Notes. This Base Prospectus is valid for a period of twelve months from the date of approval. Applications have been made for such Notes to be admitted during the period of twelve months after the date hereof to listing on the Official List of the FCA and to trading on the Main Market of the London Stock Exchange plc (the "**London Stock Exchange**"). The Main Market of the London Stock Exchange is a regulated market for the purposes of Directive 2014/65/EU on markets in financial instruments (as amended, "**MiFID II**").

Notes issued under this Euro Medium Term Note Programme (the "**Programme**") may be issued on an unsubordinated basis ("**Senior Notes**") or a subordinated basis ("**Tier 2 Notes**", and together with the Senior Notes, the "**Notes**").

As of the date of this Base Prospectus, Sampo plc (the "**Issuer**") has been assigned a rating of "A3" by Moody's Investors Service Ltd. ("**Moody's**") and a rating of "A" by S&P Global Ratings Europe Limited ("**S&P**"). Each of Moody's and S&P is established in the EU or in the UK (as defined herein) and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"). Tranches of Notes (as defined in the Conditions (as defined below)) 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 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.

Investing in Notes issued under the Programme involves certain risks. Potential investors in the Notes should ensure that they understand the nature of the relevant Notes and the extent of their exposure to risks and that they understand the nature of the relevant Notes as an investment in light of their own circumstances and financial condition and should consult their own professional advisers in connection therewith. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under "Risk Factors" below.

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) No 2016/1011 (the "**Benchmark Regulation**"). If any such reference rate does constitute such a benchmark, the relevant 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 the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmark Regulation. Transitional provisions in the Benchmark Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Final Terms. The registration status of administrators referred to herein is set out in the section entitled "Benchmark Regulation" on page 159 of this Base Prospectus. The registration status of any administrator under the Benchmark Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the relevant Final Terms to reflect any change in the registration status of the administrator.

Arranger

NORDEA

Dealers

**BNP PARIBAS
DANSKE BANK**

**CITIGROUP
DEUTSCHE BANK**

NORDEA

3 April 2020

CONTENTS

	Page
IMPORTANT NOTICES.....	1
OVERVIEW.....	4
RISK FACTORS.....	9
INFORMATION INCORPORATED BY REFERENCE.....	31
FINAL TERMS AND DRAWDOWN PROSPECTUSES.....	32
FORMS OF THE NOTES.....	33
TERMS AND CONDITIONS OF THE SENIOR NOTES.....	39
TERMS AND CONDITIONS OF THE TIER 2 NOTES.....	72
FORM OF FINAL TERMS FOR SENIOR NOTES.....	113
FORM OF FINAL TERMS FOR TIER 2 NOTES.....	123
SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM.....	132
DESCRIPTION OF THE ISSUER.....	134
TAXATION.....	155
SUBSCRIPTION AND SALE.....	157
BENCHMARK REGULATION.....	159
GENERAL INFORMATION.....	160
ALTERNATIVE PERFORMANCE MEASURES.....	162

IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme and declares that, to the best of its knowledge, the information contained in this Base Prospectus is, in accordance with the facts and the Base Prospectus makes no omission likely to affect its import.

Each Tranche of Senior Notes will be issued on the terms set out herein under "*Terms and Conditions of the Senior Notes*" (the "**Senior Conditions**") and each Tranche of Tier 2 Notes will be issued on the terms set out herein under "*Terms and Conditions of the Tier 2 Notes*" (the "**Tier 2 Conditions**") and together with the Senior Conditions, the "**Conditions**") each as shall be completed by a document specific to such Tranche called final terms (the "**Final Terms**") or in a separate prospectus specific to such Tranche (the "**Drawdown Prospectus**") as described under "*Final Terms and Drawdown Prospectuses*" below. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise. Any reference in this Base Prospectus to a numbered "Senior Condition" or "Tier 2 Condition" is to the correspondingly numbered provision in the Senior Conditions or the Tier 2 Conditions (as the case may be). Words and expressions defined in the Conditions shall have the same meanings when used in this Temporary Global Note. This Base Prospectus must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the relevant Final Terms.

The Issuer has confirmed to 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 has been authorised 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 or any Dealer.

Neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them 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, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented 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 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, Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and Bearer Notes are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or, in the case of Bearer Notes, delivered within the United States or to U.S. persons.

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.

The Final Terms in respect of any Notes will include a legend entitled "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 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 about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**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 MiFID Product Governance Rules.

If the Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA and 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 European Economic Area ("**EEA**") or 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 (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed EUR 4,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into euro at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Dealer Agreement as defined under "*Subscription and Sale*"). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement.

In this Base Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area, references to a "**Relevant Member State**" are to a Member State which has implemented the Prospectus Regulation, references to the "**Prospectus Regulation**" are to Regulation (EU) 2017/1129 (as amended or superseded), and include any relevant implementing measure in the Relevant Member State, 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, references to "**SEK**" are to the lawful currency of the Kingdom of Sweden and references to "**DKK**" are to the lawful currency of the Kingdom of Denmark.

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Tranches of Notes issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) described above or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be (1) issued by a credit rating agency established in the EEA or in the United Kingdom and registered under the CRA Regulation, or (2) issued by a credit rating agency which is not established in the EEA or in the United Kingdom but will be endorsed by a CRA which is established in the EEA or in the United Kingdom and registered under the CRA Regulation or (3) issued by a credit rating agency which is not established in the EEA or in the United Kingdom but which is certified under the CRA Regulation will be

disclosed in the 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 or in the United Kingdom and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the EEA or in the United Kingdom but is endorsed by a credit rating agency established in the EEA or in the United Kingdom and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA or in the United Kingdom which is certified under the CRA Regulation.

Each prospective investor in the Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

Each prospective investor should consult its own advisers as to legal, tax and related aspects of an investment in the Notes. A prospective investor may not rely on the Issuer or the Dealers or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

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 (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing; and (3) other restrictions apply to its purchase or pledge of the Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) acting as the Stabilising Manager(s) (the "Stabilising Manager(s)") (or persons acting on behalf of any Stabilising Manager(s)) 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 Stabilising Manager(s) (or persons acting on behalf of the Stabilising Manager(s)) in accordance with all applicable laws and rules.

OVERVIEW

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the relevant Final Terms.

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

Words and expressions defined in the relevant Conditions or elsewhere in this Base Prospectus have the same meanings in this overview.

Issuer:	Sampo plc.
Risk Factors:	Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under "Risk Factors" below and include, <i>inter alia</i> , insurance risk, market risk, credit risk, liquidity risk and operational risk.
Arranger:	Nordea Bank Abp
Dealers:	BNP Paribas, Citigroup Global Markets Europe AG, Citigroup Global Markets Limited, Danske Bank A/S, Deutsche Bank AG, London Branch, Nordea Bank Abp 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.
Fiscal Agent:	Citibank, N.A., London Branch.
Final Terms or Drawdown Prospectus:	Notes issued under the Programme may be issued either (1) pursuant to this Base Prospectus and relevant Final Terms or (2) pursuant to a Drawdown Prospectus. The terms and conditions applicable to any particular Tranche of Notes will be the Terms and Conditions of the Notes as completed to the extent described in the relevant Final Terms or, as the case may be, as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus.
Listing and Trading:	Applications have been made for Notes to be admitted during the period of twelve months after the date hereof to listing on the Official List of the FCA and to trading on the Regulated Market of the London Stock Exchange.
Clearing Systems:	Euroclear Bank SA/NV (" Euroclear ") and/or Clearstream Banking S.A. (" Clearstream, Luxembourg ") and/or the VPS.
Initial Programme Amount:	Up to EUR 4,000,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding at any one time.
Issuance in Series:	Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.
Forms of Notes:	<p>Notes may be issued in bearer form, in registered form or in uncertificated book entry form (in the case of VPS Notes).</p> <p>Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Final Terms. Each Global Note which is not</p>

intended to be issued in new global note form (a "**Classic Global Note**" or "**CGN**"), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Global Note 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. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

Each Tranche of Registered Notes will be in the form of either Individual Note Certificates or a Global Registered Note, in each case as specified in the relevant Final Terms. Each Global Registered Note will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and registered in the name of a nominee for such depositary and will be exchangeable for Individual Note Certificates in accordance with its terms.

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.

Currencies: Notes may be denominated in euro or in any other currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Status of the Notes: Notes may be Senior Notes or Tier 2 Notes.

Senior Notes will constitute direct, general, unsecured and unsubordinated obligations of the Issuer and will rank at all times equally with all of the Issuer's other present and future unsecured and unsubordinated indebtedness.

Tier 2 Notes will constitute direct, unsecured and subordinated obligations of the Issuer, conditional as described in Condition 4 (*Status and Subordination*) of the Tier 2 Conditions.

The claims of Noteholders and Couponholders of Tier 2 Notes against the Issuer in respect of payments of principal, interest and other amounts on the Tier 2 Notes will, in the event of the Liquidation of the Issuer, be subordinated in right of payment to the claims of all Senior Creditors of the Issuer, including holders of Senior Notes.

Solvency Condition: Except in the event of the Liquidation of the Issuer, all payments in respect of the Tier 2 Notes (including, without limitation, payments of interest and principal) will be conditional upon the Issuer satisfying the Solvency Condition (as defined in the Tier 2 Conditions), and no amount will be payable in respect of the Tier 2 Notes until such time as the same can be paid in compliance with the Solvency Condition.

No Set-off:	No Holders of Tier 2 Notes or Coupons who shall be indebted to the Issuer shall be entitled to exercise any right of set-off or counterclaim against moneys owed to the Issuer in respect of such indebtedness.
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>In respect of Senior Notes only, any maturity between 1 month and 30 years, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.</p> <p>In respect of Tier 2 Notes only, perpetual or any maturity not less than 10 years subject, in relation to specific currencies, to compliance with all applicable legal, 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 Financial Services and Markets Act 2000, as amended (the "FSMA") by the Issuer.</p>
Redemption Deferral:	The Issuer is required to defer any scheduled redemption of Tier 2 Notes (whether at maturity (if any) or if it has given notice of early redemption) if (i) a Regulatory Deficiency Redemption Deferral Event has occurred and is continuing or would occur if the relevant Series of Tier 2 Notes were redeemed; or (ii) the relevant Series of Tier 2 Notes cannot be redeemed in compliance with the Solvency Condition and/or cannot be effected in compliance with the Relevant Rules on such date.
Optional Redemption:	<p>Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or (in the case of Senior Notes only) the Noteholders to the extent (if at all) specified in the relevant Final Terms.</p> <p>No Tier 2 Notes may be redeemed at the option of the Noteholders.</p>
Tax Redemption:	As set out more fully in the relevant Conditions, early redemption will be permitted for Senior Notes for tax reasons as described in Condition 9(b) (<i>Redemption and Purchase - Redemption for tax reasons</i>) of the Senior Conditions and for Tier 2 Notes as described in Condition 10(c) (<i>Redemption and Purchase – Taxation reasons redemption, variation and substitution</i>) of the Tier 2 Conditions.
Redemption following a Capital Disqualification Event, Rating Agency Event or Clean-Up Event:	<p>As set out more fully in the Tier 2 Conditions, Tier 2 Notes may also be redeemed at the option of the Issuer following the occurrence of one or more of a Capital Disqualification Event and/or Rating Agency Event.</p> <p>In addition, where "Issuer Residual Call" is specified as applicable in the relevant Final Terms, Notes may also be redeemed at the option of the Issuer if at any time 80 per cent. or more of the aggregate principal amount of the relevant Series has been purchased by the Issuer or any of its subsidiaries and cancelled.</p>

Variation or Substitution for Taxation Reasons, Capital Disqualification Event and/or Rating Agency Event:	In addition to the optional redemption rights described above, and as set out more fully in the Tier 2 Conditions, Tier 2 Notes may be substituted for, or their terms varied so that they become, Qualifying Tier 2 Securities following the occurrence of one or more of a tax-related event (as described in Tier 2 Condition 10(c)), Capital Disqualification Event and/or Rating Agency Event.
Interest:	Notes may be interest-bearing or (in the case of Senior Notes only) non-interest bearing. Interest (if any) may accrue at a fixed rate, a floating rate or at a rate which may be reset periodically during the life of the Note and the method of calculating interest may vary between the issue date and the maturity date (if any) of the relevant Series.
Interest Deferral:	<p>Subject to certain conditions, where Optional Interest Deferral is specified as applicable in the relevant Final Terms, the Issuer may elect in certain scenarios to defer interest payments on the Tier 2 Notes.</p> <p>The Issuer will also be required to defer interest payments in respect of Tier 2 Notes on any Interest Payment Date if: (i) a Regulatory Deficiency Interest Deferral Event has occurred and is continuing or would occur if the relevant payment of interest were made; or (ii) the relevant payment of interest cannot be made in compliance with the Solvency Condition, in each case as more fully described in the Tier 2 Conditions.</p> <p>Any interest which is deferred in accordance with the Solvency Condition or mandatory or optional deferral provisions contained in the Tier 2 Conditions will, for so long as it remains unpaid, constitute Arrears of Interest. Arrears of Interest will not themselves bear interest, and will be payable by the Issuer as provided in Tier 2 Condition 9(c) (<i>Arrears of Interest</i>).</p>
Denominations:	No Notes may be issued under the Programme with a minimum denomination of less than EUR 100,000 (or its equivalent in any other 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.
Negative Pledge:	<p>The Senior Notes will have the benefit of a negative pledge as described in Condition 5 (<i>Negative Pledge</i>).</p> <p>There is no negative pledge for the Tier 2 Notes.</p>
Cross Default:	<p>The Senior Notes will have the benefit of a cross default as described in Condition 14 (<i>Events of Default</i>).</p> <p>There is no cross default for the Tier 2 Notes and the Tier 2 Conditions do not provide for events of default allowing acceleration of Tier 2 Notes.</p>
Taxation:	<p>All payments in respect of Senior Notes will be made free and clear of withholding taxes of Finland unless the withholding is required by law. In that event, the Issuer will (subject as provided in Senior Condition 13 (<i>Taxation</i>)) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Senior Notes had no such withholding been required.</p> <p>In the case of Tier 2 Notes, the Issuer's obligation to pay additional amounts in respect of any withholding or deduction applies only to payments of interest and not to payments of principal.</p>

Governing Law:	<p>English law, except for:</p> <p>(a) VPS Notes which are subject to laws of Norway. Further, VPS Notes must comply with the Norwegian Securities Register Act of 5 July 2002 No. 64 (as amended from time to time) and the holders of VPS Notes will be entitled to the rights and subject to the obligations and liabilities which arise under this Act and any related regulations and liabilities; and</p> <p>(b) Tier 2 Conditions 4 (<i>Status and Subordination</i>), 9(b) (<i>Mandatory Deferral of Interest</i>), 10(b) (<i>Issuer suspension of redemption date</i>) and 10(e) (<i>Capital Disqualification Event redemption, variation or substitution</i>) in respect of the Tier 2 Notes which shall be governed by Finnish law.</p>
Enforcement of Notes in Global Form:	In the case of Global Notes, individual investors' rights against the Issuer will be governed by a Deed of Covenant dated 3 April 2020.
Ratings:	<p>As of the date of this Base Prospectus, the Issuer has been assigned a rating of "A3" by Moody's and a rating of "A" by S&P. Each of Moody's and S&P is established in the EU or in the UK and registered under the CRA Regulation.</p> <p>Tranches of 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. Such rating will not necessarily be the same as the rating(s) assigned to the Issuer or to Notes already issued. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be issued by a credit rating agency established in the EU or in the UK and registered under the CRA Regulation will be disclosed in the Final Terms.</p> <p>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.</p>
Selling Restrictions:	For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the European Economic Area and the United Kingdom, see " <i>Subscription and Sale</i> " below.
Use of Proceeds:	The net proceeds from each issue of Notes will be used by the Issuer for the general corporate and financing purposes of the Group. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

RISK FACTORS

Prospective investors should read the entire Base Prospectus. Words and expressions defined in the relevant Conditions or elsewhere in this Base Prospectus have the same meanings in this section.

According to the Issuer's assessment, the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. All of these factors are contingencies which may or may not occur.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below. According to the Issuer's assessment, the factors described below in this "Risk Factors" section represent all the material/principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered material/principal risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

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

A. Risks relating to the Group's structure

The Issuer is a holding company and is dependent upon its subsidiaries

The Issuer is a holding company and carries out its business through its subsidiaries (together with the Issuer, the "**Sampo Group**" or "**Group**"). Accordingly, the Issuer is dependent upon receipt of funds from the other members of the Sampo Group in order to fulfil its obligations in respect of Notes issued under the Programme.

Claims of Noteholders in respect of Notes issued under the Programme are effectively subordinated to those of certain other creditors of the Issuer and the Issuer's subsidiaries

Notes issued under the Programme are obligations of the Issuer only. The Senior Notes are unsecured and unsubordinated obligations of the Issuer and will rank equally with all of the Issuer's other unsecured and unsubordinated indebtedness. The claims of Noteholders and Couponholders of Tier 2 Notes against the Issuer in respect of payments of principal, interest and other amounts (including, without limitation, Arrears of Interest and any damages awarded for breach of any obligations in respect of the Tier 2 Notes) on the Tier 2 Notes will, in the event of the Liquidation of the Issuer, be subordinated in right of payment to the claims of all Senior Creditors of the Issuer, including holders of Senior Notes. Senior Notes and Tier 2 Notes issued under the Programme will be effectively subordinated to the Issuer's secured indebtedness and securitisations, if any, to the extent of the value of the assets securing such transactions, and will be subject to certain preferential obligations under Finnish law. Claims of all Noteholders, whether in respect of Senior Notes or Tier 2 Notes, will be structurally subordinated to the claims of creditors of the Issuer's subsidiaries.

Lenders and other creditors of the Issuer's subsidiaries are entitled to payment of their claims from the assets of such subsidiaries before these assets are made available for distribution to the Issuer, as direct or indirect shareholder. Any debt that the Issuer's subsidiaries may incur in the future will also rank structurally senior to any Notes issued under the Programme. The Issuer's subsidiaries are separate and distinct legal entities, and have no obligation to pay any amounts due or to provide the Issuer with funds to meet any of the Issuer's payment obligations under any Notes.

B. Risks relating to the macroeconomic environment and global financial markets

Sampo Group's business and financial performance have been and will continue to be affected by general economic conditions in Europe and elsewhere and the other adverse developments in the European or global financial markets could cause the Issuer's earnings or profitability to decline

In recent years, the global financial markets have experienced significant disruptions and volatility as a result of, among other things, concerns regarding the overall stability of the euro area, fears related to a slowdown of the Chinese economy and uncertainty relating to the timing of monetary policy changes in the United States (the "U.S.") and the uncertainty regarding the impact of the coronavirus named COVID-19

("COVID-19"). In Europe, the continued modest gross domestic product ("GDP") growth and low inflation have raised concerns, as evidenced by the quantitative easing programme by the European Central Bank (the "ECB") between January 2015 and December 2018 and which was restarted in November 2019, and the uncertainty over the continued weak economic development of certain countries in the euro area and their membership of the European Union (the "EU") has continued. Market conditions have also been, and are likely to continue to be, affected by the slower economic growth and increased debt levels in China, the prospect of additional interest rate hikes in the U.S. and the low and volatile global oil prices and developments in relation to the global impact of COVID-19. Geopolitical events, such as continued tensions in the Middle East, eastern Ukraine and the Korean Peninsula; the United Kingdom's (the "U.K.") withdrawal from the EU and recent changes in certain policy goals of the U.S. government and in trade policies globally, including the imposition of new or higher tariffs, have also caused, and are likely to continue to cause, uncertainty in the markets and concern about the development of the global economy. There can also be no assurances that a potential tightening of liquidity conditions in the future as a result of, for example, further deterioration of public finances of certain European countries will not lead to new funding uncertainty, resulting in increased volatility and widening credit spreads. Risks related to the economic development in Europe have also had and, despite the recent periods of moderate stabilisation, may continue to have, a negative impact on global economic activity and the financial markets.

The exact nature of the risks that the Sampo Group faces in the context, and as a result, of the macroeconomic and global financial backdrop described above and how, and the extent to which, they ultimately will impact the Sampo Group is difficult to predict and guard against in light of: (i) the inter-related nature of the risks involved, (ii) difficulties in predicting whether recoveries will be sustained and at what rate, and (iii) the fact that the risks are totally or partially outside of the Sampo Group's control.

This consequent uncertainty in the operating environment as well as any adverse changes in the financial markets in which the Sampo Group invests could have a material adverse effect on Sampo Group's consolidated financial condition, results and cash flows. This could, in turn, adversely impact the Issuer's ability to fulfil its obligations in respect of Notes issued under the Programme.

Investment returns, financial results and the solvency of Sampo Group may be affected by fluctuations in the financial markets

Sampo Group has significant investments in equity and debt instruments that are accounted for as "available-for-sale". The impairment is assessed to be significant and recognised if the fair value of listed equity or participation decreases below the acquisition cost by 20 per cent. and prolonged when the fair value has been lower than the acquisition cost for more than 12 months. During 2019, Sampo Group made impairments in the amount of EUR 35 million on financial assets available-for-sale (EUR 73 million in 2018). Reported investment income amounted to EUR 2,515 million for the year ended 31 December 2019 (EUR -104 million for the year ended 31 December 2018). The fair value reserve at the Group level increased to EUR 1,026 million as of 31 December 2019 (EUR 583 million as of 31 December 2018).

Investment returns are an important part of determining Sampo Group's overall profitability and thus fluctuations in the financial markets, such as the fixed income, equity and currency markets, could have a material effect on Sampo Group's consolidated results of operations. Any such material effect on Sampo Group's consolidated results of operations could adversely affect the Issuer's ability to make payments in respect of Notes issued under the Programme. Additionally, fluctuations in the financial markets will affect Sampo Group's solvency through the market values of investment assets, through changes in the Solvency II (as defined below) values of insurance liabilities and debt, and through changes in Solvency II capital requirements. The potential impact of fluctuations in those markets on, and related risks for, the Group are described below.

Fluctuations in the equity market

Equity price risk is the risk of losses due to changes in share prices. Sampo Group is exposed to changes in the prices of equities which are generally subject to greater volatility and hence present more risks than fixed income securities. Sampo Group's total investment assets on 31 December 2019 amounted to EUR 26.8 billion (EUR 25.9 billion in 2018). Asset allocation in different group companies vary, but on group level, fixed income and equity investments are most important, with respective allocations of approximately 80 per cent. and 15 per cent. Factors adversely affecting the fixed income and equity markets are beyond

the control of Sampo Group and may have a negative impact on Sampo Group's profitability and the Issuer's ability to meet its obligations in respect of Notes issued under the Programme.

In addition to the above investment assets, Sampo Group's equity investments include the Issuer's holdings in Nordea Bank Abp ("**Nordea**"). The Issuer's holdings in Nordea as of 31 December 2019 had a book-value of EUR 6.7 billion in the consolidated Group balance sheet and respective market value of EUR 5.8 billion and amounted to 19.87 per cent. of the shares and votes in Nordea. Nordea is treated as an associated company of the Issuer under applicable accounting rules and hence changes in Nordea's market value will not affect Sampo Group's reported profit. Instead, Nordea's contribution to Sampo Group's profit is the proportion of Nordea's profit corresponding to Sampo Group's shareholding in Nordea. However, under Solvency II, Nordea has been treated as an equity investment since the Issuer distributed an extraordinary dividend in the form of Nordea shares and as a result went below the 20% ownership threshold in August 2019. Consequently, changes in Nordea's market value will directly affect Sampo Group's solvency. Accordingly, adverse changes in Nordea's profit and market value could have a material adverse effect on the Issuer's results of operations and financial condition. These effects may, in turn, adversely impact the ability of the Issuer to fund payments in respect of Notes issued under the Programme.

Fluctuations in interest rates

Interest rate risk is related to the Group's fixed income investments, debt, derivative transactions and insurance liabilities. Fluctuations in interest rates may affect returns on fixed income investments and derivative transactions and their respective market value, and also the Solvency II values of insurance liabilities and debt. When market interest rates rise, the balance sheet values of fixed income securities and Solvency II values of insurance liabilities and debt issued fall. This has an immediate negative impact on the Issuer's earnings and equity capital, but often a positive impact on the Group's Solvency II ratio due to the liability side of the Group's balance sheet having more longer-term exposures than the asset side. Higher interest rates mean also increased interest income for new investments, however, this is a longer term effect and will only gradually improve the Group's profitability.

A decrease in market interest rates causes the balance sheet values of fixed income securities and Solvency II values of insurance liabilities and debt to rise. This has an immediate positive impact on the Issuer's earnings and equity capital, but often a negative impact on the Group's Solvency II ratio due to the liability side of the Group's balance sheet having more longer-term exposures than the asset side. Consistently low market interest rates would also result in a reduction in the return on Sampo Group's future fixed income investments, which might jeopardise the Issuer's ability to pay amounts due under any Notes. In particular, investment income may be reduced during sustained periods of lower interest rates as higher yielding fixed income securities are called, repaid at maturity or are repurchased and the proceeds are reinvested at lower rates.

Significant changes in nominal and real interest rates could materially and/or adversely affect Sampo Group's business in addition to the effects described earlier. This may, in turn, adversely impact the ability of the Issuer to meet its obligations in respect of Notes issued under the Programme.

The level of and changes in interest rates (including changes in the difference between the levels of prevailing short-term and long-term rates) can affect Sampo Group's interest payable on debt. The Issuer's debt financing as of 31 December 2019 amounted to EUR 3,908 million and interest bearing assets including bank accounts amounted to EUR 1,725 million. During 2019, the net debt increased to EUR 2,183 million (EUR 2,108 million in 2018).

In the life insurance business, a major interest rate risk is that fixed income investments will not, over a longer period of time, generate a return at least equal to the guaranteed return of technical provisions. The risk increases when market interest rates fall and remain at low levels.

Fluctuations in the currency market

Currency risk is the risk that Sampo Group will incur losses due to changes in foreign currency exchange rates, which may be particularly volatile in times of global financial crisis. The currency risk of the Issuer consists of translation risk and transaction risk. Sampo Group's consolidated financial statements are denominated in euro. Translation risk arises when entities with another base currency are consolidated into the Group's financial statements and into the Group's solvency calculations. The effect of changes in foreign exchange rates results in translation differences which are recognised in the consolidated comprehensive

income statement. As a result of the accounting for operations in currencies other than euro, fluctuations in the relevant value of the euro to other currencies could be significant because, amongst other things, these fluctuations could cause Sampo Group's equity capital to fluctuate. Translation risks arise also within If P&C Insurance Holding Ltd (publ) ("If" or "If P&C" and together with its subsidiaries, "If Group") from their subsidiaries and branches whose base currency is different from that of the respective parent company. For Sampo Group the most material translation risks arise from If in the form of exposure to the exchange rate between the Swedish krona and the euro and from Topdanmark A/S ("Topdanmark") in the form of exposure to the exchange rate between the Danish krona and the euro. For If the most material translation risks arise in the form of exposure to the exchange rates of the euro, the Norwegian krona and the Danish krona versus the Swedish krona.

The transaction risk refers to the currency risk arising from contractual cash flows related to the insurance or investment operations or from hedges related to these cash flows. The Issuer's transaction risk position is mainly related to SEK and DKK-denominated dividends paid by If P&C and Topdanmark respectively. Debt instruments issued in other currencies than euro and investment assets in other currencies than euro are also sources of transaction risk positions. If Sampo Group incurs losses due to fluctuations in foreign currency exchange rates, there may be an adverse effect on Sampo Group's results of operations and financial condition and, consequently, the ability of the Issuer to fulfil its obligations in respect of Notes issued under the Programme may be adversely impacted.

Sampo Group is subject to credit risk and its investment returns and financial results may be affected by fluctuations in the general creditworthiness of issuers of debt and equity securities and the failure by a counterparty to a derivative or reinsurance agreement to meet its obligations

Credit risk comprises spread, default and settlement risks. Sampo Group is exposed to credit risk, amongst other things, through holdings of fixed income instruments, equity securities, derivative contracts, reinsurance agreements and loan advances. Within Sampo Group, credit risk can materialise as market value losses when credit spreads are changing unfavourably (spread risk) or as credit losses when issuers of credit instruments or counterparties of financial derivatives or reinsurance transactions are failing to meet their financial obligations (default risk) or as losses when one party will fail to deliver the terms of a contract with another party at the time of settlement (settlement risk).

Spread risk

Sampo Group has a considerable amount of fixed income investments exposed to spread risk and thus the management of credit and liquidity risks plays a significant role in the Group's risk management processes. The value of fixed income securities may be affected by, amongst other things, realised or anticipated changes in the issuer's creditworthiness. In addition, the Group's investment returns are also susceptible to changes in the general creditworthiness of the issuers of equity securities held in the businesses' portfolios.

Default risk

A failure by an issuer of a security or of a counterparty to a derivative or reinsurance agreement to meet its obligations could have a material impact on Sampo Group's financial position. In addition to credit risk related to single issuers, Sampo Group may be exposed to concentration risk when credit investments are affected similarly by economic scenarios or market events. Concentration risk is managed by taking into account Sampo Group's exposures by industry sectors, products and creditworthiness when setting individual issuer-specific limits in the investment policies for the various subsidiaries in the Sampo Group.

Additionally, counterparty default risk related to reinsurers arises through reinsurance receivables and through the reinsurers' portion of outstanding claims. Credit risk related to reinsurance mainly concerns If P&C and Topdanmark, as the use of reinsurance in Mandatum Life (as defined below) is relatively limited. Under reinsurance arrangements, other insurers assume a portion of the costs, losses and expenses associated with policy claims and maturities, and reported and unreported losses, in exchange for a portion of the policy premiums. The availability, amount and cost of reinsurance depend on general market conditions and may vary significantly. Any decrease in the amount of reinsurance cover purchased will increase Sampo Group's risk of loss. When reinsurance is obtained, Sampo Group is still liable for those transferred risks if the reinsurer does not meet its obligations. Therefore, the inability or failure of reinsurers to meet their financial obligations could materially affect Sampo Group's operations and financial condition. Further, counterparty default risk related to OTC-derivatives may arise if the net market value of transactions with the same counterparty is positive. This risk of bilaterally settled derivatives is mitigated

by careful selection of counterparties, diversification of counterparties to prevent risk concentrations and by using collateral techniques, e.g. ISDA Master Agreements backed by Credit Support Annexes. During 2016, Sampo Group started to settle interest rate swaps in central clearing houses, which, while further mitigating bilateral counterparty risk, exposes Sampo Group to the systemic risk related to centralised clearing parties.

Realisation of any of these risks may have a material adverse effect on the Issuer's business, results of operations and financial condition, and, in turn, adversely affect its ability to make payments in respect of Notes issued under the Programme.

Sampo Group is subject to liquidity risk

Liquidity risk is the risk that insurance undertakings are, due to lack of available liquid funds and/or access to relevant markets, unable to conduct their regular business activities in accordance with the strategy, or in extreme cases, are unable to settle their financial obligations when they fall due. Major sources of liquidity risk in Sampo Group are potential illiquidity of investments, large claims and unexpected non-renewal of insurance policies. In addition, the availability and cost of refinancing and the offered price for financial derivatives affect the Group companies' ability to carry out normal business activities.

The sources of liquidity risk are either internal or external by their nature. If Sampo Group's rating declines or if its solvency otherwise appears jeopardised, its ability to raise funding, buy reinsurance cover or enter into financial derivatives at a reasonable price is endangered. Moreover, policyholders may also not be willing to renew their policies in case of financial challenges or reputational issues that Sampo Group may suffer in the future. If these risks caused by internal reasons occur in conjunction with general market turmoil, which makes selling of investment assets and refinancing of debt difficult, maintaining adequate liquidity can be a challenge.

Liability cash flows in most Sampo Group's lines of business are fairly stable and predictable and an adequate share of the investment assets are in short-term money market instruments and liquid government bonds. However, if Sampo Group faces large-scale demands requiring immediate realisation of liquid assets, this could have a material adverse effect on its business, results of operations and financial condition. As a consequence, it could adversely impact the availability of funds to the Issuer to meet its obligations in respect of Notes issued under the Programme.

Sampo Group's refinancing risk is related mainly to the debt and hybrid instruments issued by the Issuer and its insurance subsidiaries. Should the credit rating of the Issuer drop to a level such that the investment guidelines or regulations applicable to key investors prohibit the holding of the Issuer's securities, these investors might be forced to decrease their investments in the Issuer, which, in turn, could lead to the increase in the cost of new funding or restrict the Issuer's ability to obtain new funding.

In Sampo Group, liquidity risk is managed by the legal entities, which are responsible for liquidity planning and maintaining adequate liquidity buffers. Liquidity risk is monitored based on the expected cash flows resulting from assets, liabilities and other business. In the subsidiaries, the adequacy of liquidity buffers is dependent on the insurance cash flows. In the Issuer, the adequacy of liquidity buffers is dependent also on potential strategic arrangements.

A default by an institution, or even concerns as to its credit-worthiness, could lead to significant liquidity problems, losses or defaults by other institutions because the stability of many financial institutions may be closely linked to credit, trading, clearing or other relationships between institutions. This risk may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which Sampo Group interacts on a daily basis and therefore could adversely affect Sampo Group. This may, in turn, adversely affect the ability of the Issuer to meet its obligations in respect of Notes issued under the Programme.

Sampo Group is subject to fluctuations in the value of real estate

The value of real estate can be affected by, among other things, changes in economic conditions, disposable income and interest rate levels. When real estate values fall, this has an immediate negative impact on the Issuer's earnings, solvency and equity capital. Decreasing real estate values might also coincide with falling rental income, further exacerbating the negative impact decreasing real estate values might have on the

future return on Sampo Group's real estate investments. This may, in turn, adversely affect the ability of the Issuer to meet its obligations in respect of Notes issued under the Programme.

C. Risks relating to Sampo Group's business and operations

Sampo Group is subject to insurance underwriting risks

Insurance underwriting risk can be generally defined as a change in the value of insurance liabilities which is caused by the final costs for full contractual obligations varying from those assumed when these obligations were estimated. Hence, underwriting risk is realised as unexpected liability cash flows or unexpected changes in the value of insurance liabilities when the pricing and provisioning assumptions on claims payments differ from the actual payments.

Underwriting risk is the primary risk in Sampo Group's business and the management of it forms the foundation for insurance operations. Property & Casualty ("**P&C**") insurance underwriting risks are divided into premium risk, catastrophe risk and reserve risk.

Premium risk relates to future claims resulting from expected insured events which have not occurred by the balance sheet date. The frequency, severity and timing of insured events and hence future claims may differ from those expected. As a result, the claims cost for future claims exceeds the expected level and there is a loss or adverse changes in the value of insurance liabilities.

Catastrophe risk can be seen as an extreme case of premium risk. It is the risk of extreme or exceptional events, such as natural catastrophes, where the pricing and setting of provisioning assumptions include significant uncertainty. These events may lead to significant deviations between actual claims and the total expected claims resulting in a loss or adverse changes in the value of insurance liabilities.

Reserve risk relates to incurred claims resulting from insured events which have occurred at or prior to the balance sheet date. The final amount, frequency and timing of claims payments may differ from those originally expected. As a result, technical provisions are not sufficient to cover the cost for already incurred claims and there is a loss or adverse changes in the value of insurance liabilities.

Insurance underwriting risks in the life insurance business encompass biometric risks, policyholder behaviour risks and expense risk. Biometric risks refer to the risk that Sampo Group has to pay more mortality, disability or morbidity benefits than expected or the Group is obliged to pay pension payments to the pension policyholder for a longer time (longevity risk) than originally expected when pricing the policies. In life insurance, catastrophe events include - as in non-life insurance - rare single events, or series of events, usually over a short period of time and, albeit less frequently, longer lasting events. When a low frequency, high severity event or a series of single events leads to a significant deviation in actual benefits and payments from the total expected payments catastrophe risk (i.e. an extreme case of biometric risk) has realised.

Policyholder behaviour risks arise from the uncertainty related to the behaviour of policyholders. Policyholders have a right to cease paying premiums (lapse risk) and a right to withdraw their policies (surrender risk).

Expense risk arises from the fact that the timing and/or the amount of expenses incurred differs from those expected at the timing of pricing. As a result, expense charges originally assumed may not be enough to cover the realised expenses.

During 2019, Sampo Group's insurance risk profile remained relatively stable. For Mandatum Life Insurance Company (together with its subsidiaries, "**Mandatum Life**" or "**Mandatum Life Group**") longevity risk is still the most material biometric risk and most of it arises from Mandatum Life's group pension portfolio. In terms of SCR (as defined below), longevity risk is the biggest risk within the life SCR component. For If P&C the most material insurance risk is reserve risk, which to a large extent is driven by long-tail liability businesses such as workers' compensation and motor third party liability. For Topdanmark the most material risk is the reserve risk on long-tail business, especially workers' compensation.

Realisation of risks that are larger than anticipated at the timing of pricing is possible and may have a material adverse effect on the Issuer's business, results of operations and financial condition. This, in turn, may adversely affect the ability of the Issuer to meet its obligations in respect of Notes issued under the Programme.

Financial results may be affected by insurance claims

The frequency and severity of incurred and reported insurance claims are an important part of Sampo Group's overall profitability and fluctuations in insurance claims can have a material effect on the consolidated results of operations. In addition, any unexpected adverse changes in the rate of claims inflation, cost inflation or in the cost and availability of reinsurance protection could have a material adverse effect on Sampo Group's consolidated financial condition, results of operations and cash flows which may adversely affect the ability of the Issuer to meet its obligations in respect of Notes issued under the Programme. Changes in these factors can be very difficult to predict and recent years have been characterised by dramatic weather conditions leading to a significant number of insurance claims.

Sampo Group is subject to emerging insurance risks

Both the P&C and life insurance businesses are subject to emerging insurance risks. By their very nature these risks are evolving, uncertain and difficult to quantify. In P&C insurance potential emerging insurance risks include, for example, the impact of potential climate change whereas in life insurance these risks may include, for example, risks related to pandemics including, for example, COVID-19. Emerging insurance risks are managed by monitoring the developments in these risks on the basis of industry research, assessments and scenario analyses and by incorporating these risks into the provisioning and pricing processes to the extent possible. Due to the difficulty in predicting these risks, including the difficulty of predicting the impact of COVID-19 on the Sampo Group's business, potential emerging insurance risks could have a material adverse effect on Sampo Group's business, results of operations and financial condition, which could adversely affect the ability of the Issuer to meet its obligations in respect of Notes issued under the Programme.

Sampo Group is subject to operational risk

Sampo Group, like all financial services groups, is exposed to many types of operational risk, including the risk of inadequate or failed internal processes, fraud by employees and outsiders, unauthorised transactions by employees or operational errors, including errors resulting from faulty computer or telecommunication systems or from external events.

Operational risks, as opposed to strategic and business risks, are often event based and they can be traced back to a single place and point in time. In Sampo Group, operational risk management is organised under the subsidiary companies and different business areas therein. The Issuer's main function is to own and control its subsidiaries. The Issuer coordinates capital allocation, risk management, remuneration principles, internal audit, group accounting, investor relations and legal and tax issues within Sampo Group. Furthermore, the Issuer manages its debt portfolio and a liquidity portfolio of interest bearing assets. The size of these portfolios changes during the year based on incoming and outgoing payments. Sampo Group's systems and processes are designed to ensure that the operational risks associated with Sampo Group's activities are appropriately monitored. Any failure or weakness in these systems, however, could adversely affect Sampo Group's financial performance and business activities, and may, in certain scenarios, adversely impact the Issuer's ability to meet its obligations in respect of Notes issued under the Programme.

Sampo Group may be affected by increased competition and a lack of realisation of growth expectation

Business risk is the risk of losses due to changes in the competitive environment and/or lack of internal operational flexibility. Unexpected abrupt changes or already identified but internally neglected trends can cause larger than expected fluctuations in profitability when volumes, margins, costs and capital charges change and in the long run they may also endanger the existence of Sampo Group's business models. External drivers behind such changes are varied, including for instance general economic development, changes in commonly shared values, developments in the institutional and physical environment and technological innovations. Because external drivers are inter-connected, the customer preferences and demand can change unpredictably and there may be a need to change regulations as well. Currently the themes of sustainable business practices in general and, in particular, the issues related to environment, society and governance, are changing the preferences and values of different stakeholders and, as a result, the competitive environment is also changing in different ways. If Sampo Group's internal understanding of needed changes or willingness and ability to act accordingly is inadequate and competitors are more able to meet clients' and regulators' altered expectations, Sampo Group will be highly exposed to business risk.

If Group's market position in the Nordic P&C insurance market is very strong and that position is expected to remain solid in the future. However, competitive pressure from new sources of competition such as smaller competitors and competition from new distribution channels such as web-based service models may restrict If Group's market position and adversely affect growth expectations. If the market position of the If Group is materially affected for a prolonged period of time, the Issuer's ability to meet its obligations in respect of Notes issued under the Programme could be adversely affected.

Mandatum Life's market position within the corporate segment is very strong, and its position is relatively strong within other focus areas. However, regulatory changes, especially changes in taxation, may have a material adverse effect on sales volumes and market position of Mandatum Life, which in the long term could have a material effect on Issuer's ability to meet its obligations under Notes.

In addition, the insurance markets throughout Europe have experienced significant changes in recent years due to the introduction of several laws and regulations as a result of the implementation of a number of insurance directives issued by the EU. As a result, direct marketing of non-life and life insurance may be carried out on a cross-border basis and therefore, for insurance companies, it is much easier to operate outside their home state. The development of a single European market together with the reduction of regulatory restrictions is also facilitating the growth of new distribution systems, partially replacing the traditional reliance on insurance intermediaries such as agents. This provides Sampo Group companies with opportunities but also a threat of increased competition and a lack of realisation of growth expectations. These could have a negative effect on the Issuer's future earnings and its ability to meet its obligations in respect of Notes issued under the Programme could be adversely affected.

Sampo Group is subject to reputational risk

Sampo Group is vulnerable to adverse market perception as it operates in a regulated industry where it must display a high level of integrity and maintain the trust and the confidence of customers. Reputational risks are related to the way the Issuer is perceived from the perspective of different stakeholders (shareholders, customers, debt investors, staff, business partners or the general public) and may arise through realised risks in other risk categories. Reputational risks may arise also through external distribution channels, the risks of which are difficult to control. Mismanagement, fraud or failure to satisfy fiduciary or regulatory responsibilities, or the negative publicity resulting from such activities or the accusation by a third party of such activities associated with Sampo Group or a relevant investment sector generally could have a material adverse effect on Sampo Group's business, results of operations and/or financial condition. This may, in turn, impact the ability of the Issuer to fund payments in respect of Notes issued under the Programme.

D. Risks relating to regulation

Sampo Group's insurance business is subject to regulatory compliance and regulatory changes

Sampo Group's insurance business is subject to government regulation in the jurisdictions in which it conducts business. Regulatory agencies - the Finnish, Swedish and Danish Financial Supervisory Authorities in particular - have broad jurisdiction over many aspects of the business, which may include capital adequacy, premium rates, marketing and selling practices, governance structures, advertising, licensing agents, policy forms, terms of business and permitted investments.

The EU has adopted a full scale revision of the solvency framework and prudential regime applicable to insurance companies, reinsurance companies and insurance groups known as "**Solvency II**". The framework for Solvency II is set out in Directive 2009/138/EC, as amended by Directive 2014/51/EU and Commission Delegated Regulation 2019/981 of 8 March 2019 (the "**Solvency II Directive**"). The Solvency II Directive became effective in EU member states on 1 January 2016 and covers areas such as regulatory capital, the valuation of assets and liabilities, calculating technical provisions and regulatory reporting. Due to the fact that the Solvency II framework is relatively new, the interpretation of some elements of the Solvency II framework may change as a result of the way insurers as well as supervisory authorities interpret the rules. This may also affect the way the Sampo Group implements the Solvency II framework, including Sampo Group's financial position under Solvency II.

Solvency II is aimed at creating a new solvency framework in which the financial requirements that apply to an insurance company, reinsurance company and insurance group better reflect such company's risk profile. Solvency II has introduced economic risk-based solvency requirements across all Member States for the first time. Solvency II has introduced a "total balance sheet" type regime where insurers' material

risks and their interactions are considered and reported. In addition to these quantitative requirements (Pillar 1), Solvency II also sets requirements for governance, risk management and effective supervision (Pillar 2), and disclosure and transparency requirements (Pillar 3).

Under Pillar 1 of Solvency II, insurers are required to hold own funds equal to or in excess of a solvency capital requirement ("**SCR**") and a minimum capital requirement ("**MCR**"). Solvency II categorises own funds into three tiers with differing qualifications as eligible and available regulatory capital. Own funds are derived from the Solvency II balance sheet, which is a market-consistent approach to the valuation of assets and liabilities. The balance sheet uses the International Financial Reporting Standards ("**IFRS**") as the default reference framework for items measured at fair value under the IFRS and replace other items using market-consistent valuations.

The determination of the technical provisions and the discount rate to be applied have a material impact on the amount of own funds and the volatility of the level of own funds. The SCR is a risk-based capital requirement which will be determined using either the standard formula (set out in level 2 implementing measures), or, where approved by the relevant supervisory authority, an internal economic capital model (an "**internal model**"). The internal model can be used in combination with (a "**partial internal model**"), or as an alternative to, the standard formula as a basis for the calculation of an insurer's SCR. Internal models and partial internal models applied by Sampo Group companies to determine their SCRs are approved by local authorities. The Swedish insurance company If P&C, covering If P&C's main insurance operations in Sweden, Norway, Denmark and Finland, has an approved partial internal model for the main underwriting risks. The Danish insurance company Topdanmark has a partial internal model approved by the Danish Financial Supervisory Authority.

While the aim of Solvency II is to introduce a harmonised, risk-based approach to solvency capital, there is the risk that regulators introduce strict, unexpected parameters for the standard formulas and approved internal models. Uncertainty about the regulatory changes could lead to insufficient solvency levels. Also, the Solvency II Directive requires the European Commission to perform a review of the Solvency II framework no later than 1 January 2021 (the "**2020 Review of Solvency II**"). The European Commission asked in February 2019 the European Insurance and Occupational Pensions Authority ("**EIOPA**") to provide technical advice for a full review of the Solvency II rules. EIOPA published in October 2019 a consultation paper with a large number of proposals, some of which could affect insurance companies' and/or insurance groups' solvency negatively. EIOPA will provide its final technical advice in form of an opinion in June 2020. It is currently uncertain which of the EIOPA proposals will find their way into future regulations. Without clarity or guidance, incorrect investment, capitalisation and risk-return decisions could be made.

The first Group level Solvency II reports as at 1 January 2016 were submitted to the Finnish Financial Supervisory Authority on 26 May 2016.

Potential non-compliance with solvency requirements could have a material adverse effect on Sampo Group's business, results of operations and financial condition. Failure to comply with the SCR and/or MCR will also result in the mandatory deferral of the payment of interest and the mandatory suspension of redemption in respect of Tier 2 Notes as further described under "*In certain circumstances, interest payments under Tier 2 Notes may be optionally or mandatorily deferred*" and "*In certain circumstances, redemption of Tier 2 Notes must be suspended*" below. This could, in turn, adversely impact the value of Notes issued under the Programme.

In addition to capital requirement framework changes in the insurance industry (i.e. Solvency II), the capital requirement framework changes in banking industry (CRR/CRD IV) are relevant for Sampo Group through the associated company Nordea. Nordea is required to meet the tightening capital requirements (the Basel IV framework as well as possible additional capital requirements by the European Central Bank) in the future. Nordea's compliance with the requirements cannot be guaranteed by Sampo Group and potential non-compliance by Nordea could have a material adverse effect on the business, results of operations and financial condition of Sampo Group, which could adversely impact the Issuer's ability to meet its obligations in respect of Notes issued under the Programme. New capital requirements may also have a negative effect on Nordea's profitability.

All financial services companies, including those within the Sampo Group, face the risk that regulators may find that they have failed to comply with applicable regulations or have not undertaken corrective action as required. Regulatory proceedings could result in adverse publicity for, or negative perceptions regarding,

Sampo Group, as well as diverting management's attention away from the day-to-day management of the business. A significant regulatory action against any member of Sampo Group could have a material adverse effect on the business of Sampo Group, its results of operations and/or financial condition. This may affect the ability of the Issuer to meet its obligations in respect of Notes issued under the Programme.

In addition, changes in government policy, legislation or regulatory interpretation applying to the financial services industry in the markets in which Sampo Group operates may adversely affect its product range, distribution channels, capital requirements and, consequently, its results and financing requirements. Consequently, any such impact may affect the ability of the Issuer to meet its obligations in respect of Notes issued under the Programme.

Sampo Group is subject to legal and litigation risks

Sampo Group is subject to a wide range of legal obligations in the countries in which it operates. There are a number of legal proceedings against the Sampo Group companies outstanding, arising in the ordinary course of business. Sampo Group is currently not involved in any legal disputes that could, in the Issuer's opinion, materially affect its earnings in its financial year ended 31 December 2019. However, an unfavourable outcome of any pending or potential future litigation could have a material adverse effect on the Issuer's business, results of operations and financial condition, and, may, in turn, adversely affect the Issuer's ability to meet its obligations in respect of Notes issued under the Programme.

Insurance is a highly regulated business with formal rules for minimum capital and capital structure. In the Issuer's opinion it complies with the current legal requirements. However, regulation in countries in which Sampo Group operates may change and the Issuer cannot guarantee that it would in such case comply, without material measures, with the requirements of changed regulation, which could have a material adverse effect on Sampo Group's business, results of operations and financial condition. This may, in turn, adversely affect the ability of the Issuer to make payments in respect of Notes issued under the Programme. For further information, please see "*Regulatory compliance and regulatory changes*" above.

E. Risks relating to the structure of a particular issue of Notes

A wide range of Notes, including Notes which are complex financial instruments, may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors and each potential investor must determine the suitability of an investment in the Notes in light of its own circumstances. Set out below is a description of the most common such features:

If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may 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 that time.

The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to such "benchmarks"

The Euro Interbank Offered Rate ("**EURIBOR**"), London Interbank Offered Rate ("**LIBOR**") and other interest rate 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. Regulation (EU) No. 2016/1011 (the "**Benchmark Regulation**") was published in the Official Journal of the European Union on 29 June 2016 and has applied from 1 January 2018 (with the exception of provisions specified in Article 59 (mainly on critical benchmarks) that have applied since 30 June 2016). The Benchmark Regulation could have a material impact on any Notes linked to EURIBOR, LIBOR 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 Benchmark 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. In addition, the Benchmark Regulation stipulates that each administrator of a "benchmark" regulated thereunder must be licensed by the competent authority of the Member State where such administrator is located. There is a risk that administrators of certain "benchmarks" will fail to obtain a necessary licence, preventing them from continuing to provide such "benchmarks". Other administrators may cease to administer certain "benchmarks" because of the additional costs of compliance with the Benchmark Regulation and other applicable regulations, and the risks associated therewith. There is also a risk that certain benchmarks may continue to be administered but may in time become obsolete.

As an example of such benchmark reforms on 27 July 2017, the UK Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the **"2017 FCA Announcement"**). On 12 July 2018, the FCA further announced that the LIBOR benchmark may cease to be a regulated benchmark under the Benchmark Regulation (the **"2018 FCA Announcement"**). The 2017 FCA Announcement and the 2018 FCA Announcement indicate that the continuation of LIBOR on the current basis (or at all) cannot and will not be guaranteed after 2021.

In addition, on 29 November 2017, the Bank of England and the UK Financial Conduct Authority announced that, from January 2018, its Working Group on Sterling Risk-Free Rates has been mandated with implementing a broad-based transition to the Sterling Overnight Index Average (**"SONIA"**) over the next four years across sterling bond, loan and derivative markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

Separate workstreams are also underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate). On 13 September 2018, the working group on euro risk-free rates recommended Euro Short-term Rate (**"€STR"**) as the new risk-free rate. €STR is expected to be published by the ECB by October 2019. In addition, on 21 January 2019, the euro risk free-rate working group published a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds). The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts may increase the risk to the euro area financial system.

Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or the benchmark could be eliminated entirely, or there could be other consequences that cannot be predicted. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to such benchmark (including Floating Rate Notes whose interest rates are linked to EURIBOR, LIBOR 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 provide for certain fallback arrangements in the event that a Benchmark Event occurs, including if a published benchmark, such as LIBOR, and any page on which such benchmark may be published (or any successor service) becomes unavailable, or if the Issuer, the Calculation Agent, any Paying Agent or any other party responsible for the calculation of the Rate of Interest (as specified in the relevant Final Terms) are no longer permitted lawfully to calculate interest on any Notes by reference to such benchmark under the Benchmarks Regulation or otherwise. Such fallback arrangements include the possibility that the rate of interest could be set by reference to a successor rate or an alternative rate, with or without an adjustment spread and may include amendments to the Conditions to ensure the proper operation of the successor or replacement benchmark, all as determined by the Issuer (acting in good faith and in consultation with an Independent Adviser) without any requirement for the consent or approval of Noteholders, as described in Senior Condition 9 (*Benchmark Discontinuation*) and Tier 2 Condition 8 (*Benchmark Discontinuation*). An adjustment spread, if applied could be positive or negative and would be applied with a view to reducing or eliminating, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of a benchmark. However, it may not be possible to determine or apply an adjustment spread and even if an adjustment is applied, such adjustment spread may not be effective to reduce or eliminate economic prejudice to investors. If no adjustment spread can be determined, a successor rate or alternative rate may

nonetheless be used to determine the rate of interest. The use of a successor rate or alternative rate (including with the application of an adjustment spread) will still result in any Notes linked to or referencing a benchmark performing differently (which may include payment of a lower rate of interest) than they would if the benchmark were to continue to apply in its current form.

If, following the occurrence of a Benchmark Event: (i) the Issuer is unable to appoint an independent advisor; (ii) no successor rate or alternative rate is determined; or (iii) in the Issuer's determination, the determination or implementation of a successor rate, an alternative rate, the applicable adjustment spread or any consequential amendments could reasonably be expected to, in respect of Tier 2 Notes, prejudice their qualification as Tier 2 Capital of the Issuer and/or the Group, then the ultimate fallback provisions for the purposes of calculation of the Rate of Interest for a particular Interest Period will apply.

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. In addition, due to the uncertainty concerning the availability of successor rates and alternative rates and the involvement of an Independent Adviser, there is a risk that the relevant fallback provisions may not operate as intended at the relevant time.

In respect of Fixed Rate Reset Notes, the applicable ultimate fallback will depend on which Reset Rate is specified in the relevant Final Terms as being applicable and is further described in the respective definitions of each Reset Rate in the Conditions.

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 imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a benchmark.

Senior Notes which are Zero Coupon Notes may experience price volatility in response to changes in market interest rates

Senior Notes which are Zero Coupon Notes do not pay interest but are issued at a discount from their nominal value. Instead of periodic interest payments, the difference between the redemption price and the issue price constitutes interest income until maturity and reflects the market interest rate. A holder of Zero Coupon Notes is exposed to the risk that the price of such Notes falls as a result of changes in the market interest rate. Prices of Zero Coupon Notes are more volatile than the prices of Fixed Rate Notes and are likely to respond to a greater degree to market interest rate changes than interest bearing notes with a similar maturity. Such volatility could have a material adverse effect on the value of and return on any Zero Coupon Notes.

If the Issuer has the right to convert the interest rate on any Notes from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the 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 in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then 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 in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

Noteholders of Notes that are Fixed Rate Reset Notes are exposed to certain risks resulting from movements of the market yield

Fixed Rate Reset Notes bear interest at a fixed rate to and including the First Reset Note Reset Date.

During that time, Noteholders of Fixed Rate Reset Notes are exposed to the risk that the price of such Fixed Rate Reset Notes may fall because of changes in the market yield. While the nominal interest rate (i.e. the coupon) of the Fixed Rate Reset Notes can be fixed until (but excluding) the First Reset Note Reset Date, the market yield typically changes on a daily basis. As the market yield changes, the price of the Fixed Rate Reset Notes changes in the opposite direction. If the market yield increases, the price of the Fixed Rate Reset Notes falls. If the market yield falls, the price of the Fixed Rate Reset Notes increases. Noteholders

of Fixed Rate Reset Notes should be aware that movements of the market yield can adversely affect the price of the Fixed Rate Reset Notes and can lead to losses for the Noteholders of Fixed Rate Reset Notes.

Noteholders of Fixed Rate Reset Notes should also be aware that the market yield has two components, namely the risk-free rate and the credit spread. The credit spread is reflective of the yield that investors require in addition to the yield on a risk-free investment of equal tenor as a compensation for the risks inherent in the Fixed Rate Reset Notes. The credit spread changes over time and can decrease as well as increase for a large number of different reasons.

The market yield of the Fixed Rate Reset Notes can change due to changes in the credit spread, the risk-free rate, or both.

If specified in the relevant Final Terms, on the First Reset Note Reset Date and each Reset Note Reset Date thereafter, the rate of interest on the relevant Series of Notes will be reset by reference to the then prevailing Benchmark Gilt Rate, CMT Rate or Mid-Market Swap Rate (as applicable), and for a period equal to the Reset Period, as adjusted for any applicable Margin. The reset of the rate of interest in accordance with such provisions may affect the secondary market and the market value of such Notes and, following any such reset of the rate of interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest on the relevant Notes may be lower than the Initial Rate of Interest, the First Reset Rate of Interest and/or the previous Subsequent Reset Rate of Interest, thereby reducing the amount of interest payable to Noteholders and potentially leading to losses for the Noteholders if they sell the Notes as a result of a reduction in the secondary market bid prices for such Notes.

The interest rate applicable to Fixed Rate Reset Notes from (and including) the First Reset Note Reset Date is based on two components, namely the Reset Rate (including, if applicable Floating Leg) and the Margin. The Reset Rate will be set immediately prior to any Reset Period. The Margin is fixed at the time of issuance.

Noteholders of Fixed Rate Reset Notes should be aware that the Reset Rate is subject to changes to the rate and therefore cannot be anticipated. Hence, Noteholders of Fixed Rate Reset Notes are not able to determine a definite yield of the Fixed Rate Reset Notes at the time of purchase, so that their return on investment cannot be compared with that of investments in simple fixed rate (i.e. fixed rate coupons only) instruments.

Since the Margin is fixed at the time of issuance of the transaction, Noteholders of Fixed Rate Reset Notes are subject to the risk that the Margin does not reflect the spread that investors require in addition to the floating rate as a compensation for the risks inherent in the Fixed Rate Reset Notes (market spread). The market spread typically changes on a daily basis. As the market spread changes, the price of the Fixed Rate Reset Notes changes in the opposite direction. A decrease in the market spread has a positive impact on the price of the Fixed Rate Reset Notes; an increase in the market spread has a negative impact on the price of the Fixed Rate Reset Notes. However, the price of the Fixed Rate Reset Notes is subject to changes in the market spread, changes in the floating leg or both. Noteholders of Fixed Rate Reset Notes should be aware that movements in the market spread can adversely affect the price of the Fixed Rate Reset Notes and can lead to losses for the Noteholders of Fixed Rate Reset Notes.

In addition, Noteholders of Fixed Rate Reset Notes are exposed to reinvestment risk with respect to proceeds from coupon payments or early redemptions by the Issuer. If the market yield (or market spread respectively) declines, and if Noteholders of Fixed Rate Reset Notes want to invest such proceeds in comparable transactions, Noteholders of Fixed Rate Reset Notes will only be able to reinvest such proceeds in comparable transactions at the then prevailing lower market yields (or market spreads respectively).

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates

The market values of securities issued at a substantial discount or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

F. Risks relating to Tier 2 Notes

The Tier 2 Notes are typically long-term securities and may be perpetual

The Issuer may issue dated Tier 2 Notes ("**Dated Tier 2 Notes**") or undated Tier 2 Notes ("**Undated Tier 2 Notes**") under the Programme.

Undated Tier 2 Notes are perpetual securities and have no fixed maturity date or fixed redemption date and are not redeemable at the option or election of the relevant Noteholders. Although the Issuer may, under certain circumstances, redeem any Undated Tier 2 Notes, the Issuer is under no obligation to do so and Noteholders of Undated Tier 2 Notes have no right to call for the Issuer to exercise any right it may have to redeem such Notes. Therefore, Noteholders of Undated Tier 2 Notes have no ability to exit their investment, except (i) in the event of the Issuer exercising its right to redeem any Undated Tier 2 Notes in accordance with the Tier 2 Conditions; (ii) by selling their Notes; or (iii) upon the winding-up of the Issuer, in which limited circumstances the Noteholders of Undated Tier 2 Notes may receive some of any resulting liquidation proceeds following payment being made in full to all Senior Creditors (as defined in the Tier 2 Conditions). The proceeds, if any, realised as a result of any of the actions described in (i) to (iii) may be substantially less than the principal amount of the Undated Tier 2 Notes or the price paid by an investor for such Notes.

Dated Tier 2 Notes typically have a long dated Maturity Date. Repayment of any Dated Tier 2 Notes on the relevant Maturity Date, will be subject to the Issuer being Solvent and remaining Solvent immediately after redemption, there being no suspension of redemption pursuant to Tier 2 Condition 10(b) (*Issuer suspension of redemption date*) and the preconditions to redemption set out in Tier 2 Condition 10(j) (*Preconditions to redemption, purchases, variation and substitution*) being fulfilled, and provided that the prior approval of the Issuer Supervisor (if required) has been obtained. If this is not the case, the redemption of any Dated Tier 2 Notes will be suspended (see "*In certain circumstances, redemption of the Tier 2 Notes must be suspended*" below).

The Issuer is under no obligation to redeem Undated Tier 2 Notes at any time before the Maturity Date, and the Noteholders of Dated Tier 2 Notes have no right to call for their redemption.

The Issuer's obligations under the Tier 2 Notes are subordinated

The claims of Noteholders and Couponholders of Tier 2 Notes against the Issuer in respect of payments of principal interest and other amounts (including, without limitation, Arrears of Interest and any damages awarded for breach of any obligations in respect of the Tier 2 Notes) on the Tier 2 Notes will, in the event of the Liquidation of the Issuer, be subordinated in right of payment to the claims of all Senior Creditors of the Issuer, including the Senior Notes. Although Tier 2 Notes may pay a higher rate of interest than comparable notes which are not subordinated, there is a real risk that an investor in the Tier 2 Notes will lose all or some of his investment should the Issuer become insolvent.

In bankruptcy, the ranking of the Tier 2 Notes may be adversely affected by mandatory law

Pursuant to the main rule contained in the Finnish Act on Order of Priority of Claims (Fi: *laki velkojien maksunsaantijärjestyksestä* (1578/1992, as amended)) (the "**Finnish Priority Act**"), where in bankruptcy or execution there are not sufficient distributable funds to cover all claims, creditors have an equal right to payment in proportion to the amount of their claims. The Finnish Priority Act provides certain exceptions from this main rule *inter alia* for contractual subordination of certain claims to primarily all other debt.

Pursuant to the Finnish Priority Act, claims having the same statutory ranking under the Finnish Priority Act shall have equal priority amongst themselves, except for certain claims that are by their terms subordinated to all other claims of the debtor and provide for more granular ranking. It is, however, uncertain if claims under the Tier 2 Notes would fall within such category which permits more granular ranking by contract.

In the bankruptcy of the Issuer claims under the Tier 2 Notes would be expected to be treated as subordinated to the claims of Senior Creditors (including Noteholders of Senior Notes) and with priority to claims under Junior Obligations (including any Tier 1 Capital of the Issuer) given that the contractual intention has been to create such a subordination. However, there can be no assurances that this would be the case. Certain types of Junior Obligations (including in particular certain types of Tier 1 Capital) could, depending primarily on the terms and conditions of such Junior Obligations, rank *pari passu* with the Tier 2 Notes by operation of mandatory law, were Finnish law applied to the Issuer's bankruptcy proceedings.

While as at the date of this Base Prospectus the Issuer does not have outstanding any Tier 1 Capital or other Junior Obligations (except for share capital and certain other equity items), it cannot be guaranteed that the operation of mandatory law (or changes in mandatory law or its interpretation) could not adversely affect the ranking of the Tier 2 Notes in the future. This may reduce the amount recoverable by Noteholders of Tier 2 Notes upon the insolvency or winding up of the Issuer.

In certain circumstances, interest payments under the Tier 2 Notes may be optionally or mandatorily deferred

In accordance with Tier 2 Condition 4(b) (*Subordination*), the interest payment obligations of the Issuer under the Tier 2 Notes are conditional upon the Issuer being Solvent at the time of payment, and still being Solvent immediately thereafter (the "**Solvency Condition**"). Other than in the event of the liquidation of the Issuer, no amount will be payable under or arising from the Tier 2 Notes except to the extent that the Issuer could make such payment in satisfaction of the Solvency Condition.

If Optional Interest Deferral is specified in the relevant Final Terms as being applicable, the Issuer shall be entitled to defer payment on any Interest Payment Date if (i) no distribution or dividend has been made on or in respect of any Junior Obligations or Parity Obligations, or (ii) (subject as set out in the Tier 2 Conditions) direct or indirect, redemption, repurchase or acquisition of any Junior Obligations or Parity Obligations has been made, during the six (6) months immediately preceding such Interest Payment Date and provided such Interest Payment Date is not a Mandatory Interest Deferral Date (as described below).

In accordance with Tier 2 Condition 9(b) (*Mandatory Deferral of Interest*), the Issuer must defer payment of interest accrued in respect of the Tier 2 Notes on any Mandatory Interest Deferral Date, being each Interest Payment Date in respect of which any event has occurred and is continuing, or would occur if a payment of interest was made, which under Solvency II and/or the Relevant Rules would require the Issuer to defer Interest Payments (or, if applicable, Arrears of Interest) in respect of the Tier 2 Notes and/or where the Issuer Supervisor has directly notified the Issuer in writing that such deferral of Interest Payments (or, if applicable, Arrears of Interest) in respect of the Tier 2 Notes is required. Any such deferral shall not constitute a default in respect of the Tier 2 Notes.

All deferred interest on the Tier 2 Notes shall constitute Arrears of Interest in accordance with Tier 2 Condition 9(c) (*Arrears of Interest*). Arrears of Interest do not themselves bear interest. After the Issuer has fully paid all deferred interest on the Tier 2 Notes, if any Tier 2 Notes remain outstanding, future interest payments on the Tier 2 Notes may be subject to further deferral as described above.

Any actual or anticipated deferral of interest payments is likely to have an adverse effect on the market price of the Tier 2 Notes. In addition, as a result of the interest deferral provisions of the Tier 2 Notes, the market price of the Tier 2 Notes may be more volatile than the market prices of other debt securities on which original issue discount or interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the financial condition of the Issuer or the Solvency II Group.

In certain circumstances, redemption of the Tier 2 Notes must be suspended

Any redemption of the Tier 2 Notes is conditional upon satisfaction of the Solvency Condition and Tier 2 Condition 10(j) (*Preconditions to redemption, purchases, variation and substitution*) and the relevant proposed redemption date not being a Mandatory Redemption Suspension Date. A Mandatory Redemption Suspension Date is any date in respect of which any event has occurred and is continuing, or would occur if the payment of the relevant redemption amount was made, which under Solvency II and/or under the Relevant Rules would require the Issuer to suspend repayment or redemption of the Tier 2 Notes and/or where the Issuer Supervisor has directly notified the Issuer in writing that such suspension of repayment or redemption of the Tier 2 Notes is required.

Any actual or anticipated suspension of redemption is likely to have an adverse effect on the market value of the Tier 2 Notes and Noteholders of Tier 2 Notes may receive their investment back at a later point in time than initially expected. If the Tier 2 Notes are not redeemed on the Maturity Date (if any) due to the reasons set out above, Noteholders of Tier 2 Notes will (subject to any mandatory or (if applicable) optional deferral of interest payments) continue to receive interest but will not receive any additional compensation for the suspension of the redemption. In addition, as a result of the redemption suspension provision of the Tier 2 Notes, the market price of the Tier 2 Notes may be more volatile than the market price of other debt

securities which are not subject to such suspensions and may be more sensitive generally to adverse changes in the financial condition of the Issuer or the Solvency II Group.

The Tier 2 Notes are subject to optional redemption, substitution or variation by the Issuer

Subject to Tier 2 Conditions 10(b) (*Issuer suspension of redemption date*) and 10(j) (*Preconditions to redemption, purchases, variation and substitution*) satisfaction of the Solvency Condition and prior consent of the Issuer Supervisor (if required), the Issuer may, at its option, redeem the Tier 2 Notes (or substitute the Tier 2 Notes for, or vary the terms of the Tier 2 Notes so that they become or remain, Qualifying Tier 2 Securities) upon the occurrence of certain events, including an adverse change in tax consequences or a Capital Disqualification Event or a Rating Agency Event, as further described in Tier 2 Condition 10 (*Redemption, Purchase, Substitution and Variation*).

Qualifying Tier 2 Securities are securities issued by the Issuer that have, *inter alia*, terms not materially less favourable to the Noteholders of Tier 2 Notes than the terms of the relevant Tier 2 Notes (as reasonably determined by the Issuer in consultation with an independent investment bank of international standing). There can be no assurance that, due to the particular circumstances of each relevant Noteholder, any Qualifying Tier 2 Securities will be as favourable to such Noteholder in all respects or that, if it were entitled to do so, a particular Noteholder would make the same determination as the Issuer as to whether the terms of the relevant Qualifying Tier 2 Securities are not materially less favourable to Noteholders of Tier 2 Notes than the terms of the relevant Tier 2 Notes. The Issuer bears no responsibility towards the Noteholders of Tier 2 Notes for any adverse effects of such substitution or variation (including, without limitation, with respect to any adverse tax consequences suffered by any Noteholder).

In addition, if Call Option is specified in the relevant Final Terms as being applicable, subject to Tier 2 Conditions 10(b) (*Issuer suspension of redemption date*) and 10(j) (*Preconditions to redemption, purchases, variation and substitution*), and satisfaction of the Solvency Condition, the Issuer may, at its option, redeem Tier 2 Notes of a given Series in whole or, if so specified in the relevant Final Terms, in part, on any Optional Redemption Date as further described in Tier 2 Condition 10(d) (*Redemption at the option of the Issuer*). If Issuer Residual Call is specified in the relevant Final Terms as being applicable, subject to Tier 2 Conditions 10(b) (*Issuer suspension of redemption date*) and 10(j) (*Preconditions to redemption, purchases, variation and substitution*), satisfaction of the Solvency Condition and prior consent of the Issuer Supervisor (if required), the Issuer may, at its option, redeem Tier 2 Notes as further described in Tier 2 Condition 10(g) (*Clean-up call*).

During any period when the Issuer may elect to redeem the Tier 2 Notes, their market value generally will not rise substantially above the price at which they can be redeemed.

No limitation on issuing further debt

There is no restriction on the amount of debt which the Issuer may issue ranking equal or senior to the obligations under or in connection with the Tier 2 Notes. Such issuance of further debt may reduce the amount recoverable by Noteholders of Tier 2 Notes upon insolvency or winding-up of the Issuer or may increase the likelihood that payments of the principal amount or interest under the Tier 2 Notes will be mandatorily suspended or deferred.

In addition, the Tier 2 Notes do not contain any "negative pledge" or similar clause, meaning that the Issuer and its subsidiaries may pledge its or their assets to secure other obligations without granting similar security in respect of the Tier 2 Notes.

There are no events of default under the Tier 2 Notes

The Tier 2 Conditions do not provide for events of default allowing acceleration of the Tier 2 Notes if certain events occur. Accordingly, if the Issuer fails to meet any obligations under the Tier 2 Notes, including the payment of any principal, interest and/or other amounts when due, investors will not have any right of acceleration in respect of the Tier 2 Notes and no right to enforce such payment obligations.

Set-off risk

Subject to applicable law, no Noteholder of Tier 2 Notes who shall be indebted to the Issuer shall be entitled to exercise any right of set-off or counterclaim against moneys owed to the Issuer in respect of such indebtedness.

The Issuers obligation to gross-up payments under the Tier 2 Notes is limited

Pursuant to Tier 2 Condition 14 (*Taxation*), the Issuer's obligation to pay additional amounts in respect of any withholding or deduction in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Finland, or the jurisdiction in which the Issuer is incorporated or tax resident from time to time, or any political subdivision therein or any authority therein or thereof having power to tax applies only to payments of interest and not to payments of principal.

As such the Issuer would not be required to pay any additional amounts under the terms of the Tier 2 Conditions to the extent any withholding or deduction applies to payments of principal. According, if any such withholding or deduction were to apply to any payments of principal under the Tier 2 Notes, Noteholders of Tier 2 Notes will receive less than the full amount which would otherwise be due to them under the relevant Tier 2 Notes and the market value of the Tier 2 Notes may be adversely affected.

The market value of the Tier 2 Notes could decrease if the creditworthiness of the Issuer or the Solvency II Group worsens

If the likelihood that the Issuer will be in a position to fully perform all obligations under the Tier 2 Notes when they fall due decreases, for example, because of the materialisation of any of the risks regarding the Issuer or the Solvency II Group, the market value of the Tier 2 Notes may suffer. In addition, even if the likelihood that the Issuer will be in position to fully perform all obligations under the Tier 2 Notes when they fall due has not actually decreased, market participants could nevertheless have a different perception.

In addition, the market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as the Issuer or the Solvency II Group could adversely change. If any of these risks occurs, third parties would only be willing to purchase Tier 2 Notes for a lower price than before the materialisation of the aforementioned risk. Under these circumstances, the market value of the Tier 2 Notes may decrease.

Uncertainties remain in the manner in which Solvency II will be interpreted

The defined terms in the Tier 2 Conditions will depend in some cases on the interpretation of Solvency II. The implementation of the Solvency II Directive in Finland and the "level two" implementation measures set out in Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 (the "**Solvency II Regulation**") entered into force on 1 January 2016.

There can be no assurance that the "level two" implementation measures and "level three" guidance will not be amended. Moreover, although the Solvency II Regulation is directly applicable in each Member State, the Solvency II Regulation leaves a number of interpretational issues to be resolved through binding technical standards that have been adopted, and will be adopted in the future, and leaves certain other matters to the discretion of regulators, including the Finnish Financial Supervisory Authority (in Finnish: *Finanssivalvonta*). There is therefore a degree of uncertainty as to how the Finnish Financial Supervisory Authority (in Finnish *Finanssivalvonta*) will interpret the Solvency II Directive as implemented in Finland, the "level two" implementation measures and/or "level three" guidance and apply them to the Solvency II Group, the Issuer or the Sampo's Group. In addition, as at the date of this Base Prospectus, Solvency II is subject to an on-going review by the European Union that is currently projected to continue until the end of 2020, with the European Insurance and Occupational Pensions Authority expected to publish its conclusions in January 2021. As a result, there is significant uncertainty as to how Solvency II will evolve over the next few years and how it will affect the Issuer or the Solvency II Group.

Changes to Solvency II or other applicable law or regulation may increase the risk of the deferral of interest payments, suspension of redemption or the occurrence of a Capital Disqualification Event

Solvency II requirements adopted in Finland may change, whether as a result of further changes to Solvency II (including, without limitation, as a result of the 2020 Review of Solvency II) or changes to the way in which the Issuer Supervisor interprets and applies these requirements to the Issuer and/or the Solvency II Group (as the case may be). Any such changes, either individually and/or in aggregate, may lead to further unexpected requirements in relation to the calculation of the Issuer's and/or Sampo Group's SCR and/or MCR, and such changes may make the Issuer's and/or Sampo Group's capital adequacy requirements more onerous. Such changes that may occur in the application of Solvency II in Finland subsequent to the date

of this Base Prospectus and/or subsequent changes to such rules and other variables may individually or in aggregate negatively affect the calculation of the Issuer's and/or Sampo Group's SCR and/or MCR and thus increase the risk of deferral of interest payments, suspension of redemption, or, alternatively, trigger a Capital Disqualification Event and subsequent redemption of the Tier 2 Notes by the Issuer.

Additionally, the Issuer may be required to raise further capital pursuant to applicable law or regulation or the official interpretation thereof in order to maintain the then applicable MCR and SCR.

Changes to Solvency II requirements may also increase the likelihood of a Capital Disqualification Event and subsequent early redemption of the Tier 2 Notes by the Issuer (see "*Tier 2 Notes are subject to optional redemption, substitution or variation by the Issuer*" above). A Capital Disqualification Event will occur if, as result of any replacement of or change to (or change to the interpretation of) the Relevant Rules after the Issue Date, the whole or any part of the Tier 2 Notes are no longer capable of counting as (i) cover for capital requirement or treated as own funds applicable to the Issuer and/or the Solvency II Group (whether on a solo, group or consolidated basis) or (ii) Tier 2 Capital for the purposes of the Issuer and/or the Solvency II Group (whether on a solo, group or consolidated basis). Therefore, a Capital Disqualification Event would occur if, as a result of changes to the Solvency II requirements as described above, only part of the principal amount of the Tier 2 Notes qualifies as Tier 2 Capital of the Issuer and/or the Solvency II Group.

The SCR ratio and the MCR ratio will be affected by the Issuer's business decisions and, in making such decisions, the Issuer's interests may not be aligned with those of the Noteholders of Tier 2 Notes

The SCR ratio and MCR ratio could be affected by a number of factors. It will also depend on the Issuer's decisions relating to its businesses and operations, as well as the management of its capital position. For example, as a result of the extra dividend which Sampo plc distributed in the form of Nordea shares in August 2019, Nordea was deconsolidated from the Solvency II own funds and SCR of Sampo Group and is as of 30 September 2019 treated as an equity investment for purposes of Sampo Group's solvency under the Solvency II Directive. Prior to 30 September 2019 Sampo's share of Nordea's capital requirement was added to the consolidated group SCR according to the sectoral rules and without any diversification effects and, as a consequence, the earlier years' solvency positions and ratios are not fully comparable with Sampo Group solvency as of 31 December 2019 (See "*Description of the Issuer - Capital position and Solvency*" for further details). Noteholders of Tier 2 Notes will not have any claim against the Issuer relating to decisions that affect the business and operations of the Issuer's Group, including its capital position. Such decisions could cause Noteholders of Tier 2 Notes to lose all or part of the value of their investment in the Tier 2 Notes.

G. Risks relating to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

The conditions of the Notes contain provisions which may permit their modifications without the consent of all investors

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution, and including those Noteholders who voted in a manner contrary to the majority. See further "*The regulation and reform of 'benchmarks' may adversely affect the value of Notes linked to such 'benchmarks'*" and "*Variation or substitution of Tier 2 Notes without Noteholder consent*" above.

The value of any Notes could be materially adversely impacted by a change in English law, Finnish law, Norwegian law or administrative law

The Senior Conditions are based on English law in effect as at the date of this Base Prospectus. As for Senior Notes that are VPS Notes, these are governed by Norwegian law. The Tier 2 Conditions are based on English law and (in respect of certain provisions) Finnish law in effect as at the date of this Base Prospectus. As for Tier 2 Notes that are VPS Notes, these are governed by Norwegian law and (in respect of certain provisions) Finnish law. No assurance can be given as to the impact of any possible judicial decision or change to English law, Finnish law, Norwegian law or administrative practice after the date of

this Base Prospectus and any such change could materially adversely impact the value of any Notes affected by it.

Investors who purchase bearer Notes in denominations that are not an integral multiple of the specified denomination may be adversely affected if definitive Notes are subsequently required to be issued

In relation to any issue of bearer Notes which have denominations consisting of a minimum specified denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum specified denomination that are not integral multiples of such minimum specified denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum specified denomination in its account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum specified denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum specified denomination in his account with the relevant clearing system at the relevant time may not receive a definitive bearer Note in respect of such holding (should definitive bearer Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to the minimum specified denomination. If such bearer Notes in definitive form are issued, holders should be aware that definitive bearer Notes which have a denomination that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

Future enforceability of UK judgments in Finland is subject to uncertainty

As the Notes are subject to the jurisdiction of English courts, if no new reciprocal agreement on civil justice is agreed between the UK and the remaining member states of the EU after 31 December 2020, there will be a period of uncertainty concerning the enforcement of English court judgments in Finland as the current regulation concerning the recognition and enforcement of judgments that applies between the UK and EU member states, that is, the Recast Brussels Regulation (Regulation (EU) No. 1215/2012 of the European Parliament and of the Council of 12 December 2012) would cease to apply to the UK (and to UK judgments). Further, the UK would no longer be a party to the Lugano Convention under which judgments from the courts of contracting states (currently the EU member states, plus Switzerland, Iceland and Norway) are recognised and enforced in other contracting states. In its paper entitled "*The Future Relationship with the EU, The UK's Approach to the Negotiations*" (February 2020), the UK Government stated that as part of its negotiations on the future relationship it will seek to accede as an independent contracting party to the Lugano Convention, which would mean English judgments would continue to be recognised and enforced in Finland (and other contracting states) following its entry into force in the UK. This is in line with previous statements issued by the UK Government on this issue. The UK will, however, require the consent of the other contracting parties to the Lugano Convention in order to accede to it. In January 2020, the UK Government stated in a publication on its website that Switzerland, Iceland and Norway (the non-EU member state parties to the Lugano Convention) had issued statements confirming that they would support a request for accession from the UK. There can, however, be no assurances as to the terms of any final agreement on the future relationship between the UK and the EU and in particular as to whether the EU will also agree to the UK acceding to the Lugano Convention and, as a result, there remains a risk that a judgment entered against the Issuer in a UK court may not be recognised or enforceable in Finland as a matter of law without a re-trial on its merits (but may be presented as evidence before the courts of law or tribunals in Finland).

H. Risks relating to taxation

Potential purchasers and sellers of Notes should be aware that they may be required to pay taxes or duties in accordance with the laws and practices of certain jurisdictions

Potential purchasers and sellers of Notes should be aware that they may be required to pay taxes or documentary charges or duties in accordance with the laws and practices of the jurisdiction where Notes are transferred to other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors cannot rely upon such tax summary contained in this Base Prospectus but should ask for their own tax adviser's advice on their individual taxation with respect to the subscription, acquisition, holding, disposal and redemption of the Notes. Only this adviser is in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus.

The Notes may be redeemed prior to maturity if the Issuer is obliged to increase the amounts payable under the Notes due to withholding taxes

In the event that the Issuer would be obliged to increase certain amounts payable in respect of any Notes due to any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Finland or any political subdivision thereof or any authority therein or thereof having power to tax or any change in the application or official interpretation of such law or regulations, the Issuer may redeem all outstanding Notes in accordance with Senior Condition 9(b) (*Redemption and Purchase - Redemption for tax reasons*) or Tier 2 Condition 10(c) (*Redemption, Purchase, Substitution and Variation – Taxation reasons redemption, variation and substitution*), as applicable. See further "If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return" above.

Investors should note that the OECD BEPS project has been or may be implemented in a manner which may affect the tax position of the Issuer

Fiscal and taxation policy and practice is constantly evolving and recently the pace of change has increased due to a number of developments. In particular, a number of changes of law and practice are occurring as a result of the OECD Base Erosion and Profit Shifting project ("BEPS"). Investors should note that certain action points which form part of the OECD BEPS project (such as Action 4, which can deny deductions for financing costs, see "Interest deduction restrictions" below or Action 6 on the prevention of treaty abuse) have been or may be implemented in a manner which may affect the tax position of the Issuer.

The Anti-Tax Avoidance Directives contain various measures that could potentially result in certain payments made by the Issuer ceasing to be fully deductible and this could reduce the amounts available for payments on the Notes

As part of its anti-tax avoidance package, and to provide a framework for a harmonised implementation of a number of the BEPS conclusions across the EU, the EU Council adopted Council Directive (EU) 2016/1164 (the "Anti-Tax Avoidance Directive 1") on 12 July 2016.

The EU Council adopted Council Directive (EU) 2017/952 (the "Anti-Tax Avoidance Directive 2" and, together with the Anti-Tax Avoidance Directive 1, the "Anti-Tax Avoidance Directives") on 29 May 2017, amending the Anti-Tax Avoidance Directive 1, to provide for minimum standards for counteracting hybrid mismatches involving EU member states and third countries. The Anti-Tax Avoidance Directives contain various measures that could potentially result in certain payments made by the Issuer ceasing to be fully deductible for tax purposes. This could increase the Issuer's liability to tax and reduce the amounts available for payments on the Notes. There are two measures of particular relevance in this regard.

Firstly, the interest limitation requirements set out by the Anti-Tax Avoidance Directive 1 have already been implemented in Sections 18a-b of the Finnish Business Income Tax Act (360/1968, as amended) effective as of 1 January 2019, which restrict the deductible net interest expenses of an entity to 25 per cent. of its taxable earnings before interest expenses, tax, depreciation and group contributions. Aggregate net interest payable lesser than EUR 500,000 annually (provided that the amount of net interest is below EUR 500,000) is nevertheless deductible, and to the extent payable to non-related parties, up to EUR 3 million annually (despite the total net interest expense being in excess of EUR 3 million). Any net interest expenses exceeding the limitations set out in the law may remain non-deductible in the taxation of the Issuer; however the non-deductible interest can be carried forward to be potentially deducted in future years.

Secondly, the Anti-Tax Avoidance Directive 1 (as amended by the Anti-Tax Avoidance Directive 2) also contains rules relating to so-called hybrid mismatch. Finland has implemented the Anti-Tax Avoidance Directive 2 (except for measures relating to reverse hybrid mismatches, which must be implemented by 31 December 2021) effective as of 1 January 2020. These rules are designed to neutralise arrangements where amounts are deductible from the income of one entity but are not taxable for another, or the same amounts are deductible for two entities or twice within the same legal entity. These rules could potentially apply to the Issuer where: (i) the interest that it pays under the Notes, and claims deductions from its taxable income for, is not brought into account as taxable income by the relevant Noteholder, either because of the characterisation of the Notes, or the payments made under them, or because of the nature of the Noteholder itself; and (ii) the mismatch arises between associated enterprises, between the Issuer and an associated

enterprise or under a structured arrangement. Application of the rules on hybrid mismatches could potentially result in the interest payable by the Issuer under the Notes being deemed non-deductible in the taxation of the Issuer. In some situations the rules could affect the taxation in the country of the relevant Noteholder.

I. Risks relating 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:

An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell his Notes

Notes issued under the Programme will be new securities which may not be widely distributed and (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single Series with a Tranche of Notes which is already issued) for which there is currently no active trading market and one may never develop. If a market does develop, it may not be very liquid. If Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Therefore, investors may not be able to sell their 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.

If an investor holds Notes which are not denominated in the investor's home currency, he will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

The Issuer will pay principal and interest on the Notes in the Specified Currency. 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 Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency 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 Specified Currency would decrease (1) the Investor's Currency 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 or the ability of the Issuer to make payments in respect of Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

The value of Fixed Rate Notes may be adversely affected by movements in market interest rates

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes as an equivalent investment issued at the current market interest rate may be more attractive to investors.

Credit ratings assigned to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes

As of the date of this Base Prospectus, the Issuer has been assigned a rating of "A3" by Moody's and a rating of "A" by S&P. Tranches of 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. Such rating will not necessarily be the same as the rating(s) assigned to the Issuer or to Notes already issued. One or more independent credit rating agencies may also assign credit ratings to the Notes, which may not necessarily be the same ratings as the Issuer rating described above or any rating(s) assigned to Notes already issued. Such ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating

is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In general, European (including United Kingdom ("UK")) regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU or the UK and registered under the CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EU and non-UK credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered or UK-registered credit rating agency or the relevant non-EU and non-UK rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). If the status of the rating agency rating any Notes changes, European (including UK) regulated investors may no longer be able to use the rating for regulatory purposes and such Notes may have a different regulatory treatment. This may result in European (including UK) regulated investors selling the Notes which may impact the value of the Notes and any secondary market. The list of registered and certified rating agencies published by the European Securities and Markets Authority ("ESMA") on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

INFORMATION INCORPORATED BY REFERENCE

The following information shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (1) The audited consolidated financial statements (including the auditors' report thereon and notes thereto) of the Issuer in respect of the years ended 31 December 2019 and 31 December 2018 (set out on pages 38 to 184 of the Issuer's Board of Directors' Report and Financial Statements for 2019 and on pages 38 to 181 of the Issuer's Board of Directors' Report and Financial Statements for 2018).
- (2) The Terms and Conditions of the Notes (set out on pages 23 to 47) of the Issuer's Base Prospectus for the Programme dated 8 April 2010.
- (3) The Terms and Conditions of the Notes (set out on pages 26 to 49) of the Issuer's Base Prospectus for the Programme dated 8 April 2011.
- (4) The Terms and Conditions of the Notes (set out on pages 26 to 49) of the Issuer's Base Prospectus for the Programme dated 4 April 2012.
- (5) The Terms and Conditions of the Notes (set out on pages 27 to 51) of the Issuer's Base Prospectus for the Programme dated 4 April 2013.
- (6) The Terms and Conditions of the Notes (set out on pages 28 to 52) of the Issuer's Base Prospectus for the Programme dated 4 April 2014.
- (7) The Terms and Conditions of the Notes (set out on pages 28 to 52) of the Issuer's Base Prospectus for the Programme dated 26 March 2015.
- (8) The Terms and Conditions of the Notes (set out on pages 27 to 51) of the Issuer's Base Prospectus for the Programme dated 6 April 2016.
- (9) The Terms and Conditions of the Notes (set out on pages 27 to 51) of the Issuer's Base Prospectus for the Programme dated 12 April 2017.
- (10) The Terms and Conditions of the Notes (set out on pages 30 to 54) of the Issuer's Base Prospectus for the Programme dated 13 April 2018.
- (11) The Terms and Conditions of the Notes (set out on pages 29 to 57) of the Issuer's Base Prospectus for the Programme dated 8 April 2019.

Should any of the documents specified above as containing information incorporated by reference in this Base Prospectus themselves incorporate by reference further information, such information does not form part of this Base Prospectus.

Copies of the documents specified above as containing information incorporated by reference in this Base Prospectus are available in electronic form at www.sampo.com.

Any information contained in or incorporated by reference 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.

FINAL TERMS AND DRAWDOWN PROSPECTUSES

In this section the expression "necessary information" means, in relation to any Tranche of Notes, the information which is material to an investor for making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, the rights attaching to the Notes and the reasons for issuance and its impact on the Issuer. In relation to the different types of Notes which may be issued under the Programme the Issuer has endeavoured to include in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained either in the relevant Final Terms or in a Drawdown Prospectus. Such information will be contained in the relevant Final Terms unless any of such information constitutes a significant new factor relating to the information contained in this Base Prospectus in which case such information, together with all of the other necessary information in relation to the relevant series of Notes, may be contained in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, complete this Base Prospectus and must be read in conjunction with this Base Prospectus.

In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise. Each Drawdown Prospectus will be constituted by a single document containing the necessary information relating to the Issuer and the relevant Notes.

FORMS OF THE NOTES

Bearer Notes

Each Tranche of Notes in bearer form ("**Bearer Notes**") will initially be in the form of either a temporary global note in bearer form (the "**Temporary Global Note**"), without interest coupons, or a permanent global note in bearer form (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**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 around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary 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 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.

On 13 June 2006 the European Central Bank (the "**ECB**") announced that Notes in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ESCB credit operations" of the central banking system for the euro (the "**Eurosystem**"), **provided that** certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

Each Final Terms for Senior Notes in NGN form will indicate whether such Notes are intended to be held in a manner which would allow Eurosystem eligibility. The designation "yes" means that the Notes are intended upon issue to be deposited with Euroclear or Clearstream, Luxembourg 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. If the designation is specified as "no" at the Issue Date, 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 Euroclear or Clearstream, Luxembourg as common safekeeper. 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. In all cases, such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.

In the case of each Tranche of Bearer Notes, the relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successor United States Treasury regulation section, including without limitation, successor regulations issued in accordance with IRS Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (or any successor United States Treasury regulation section, including without limitation, successor regulations issued in accordance with IRS Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 1 year, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global

Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (ii) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership.

The principal amount of Notes represented by the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership; **provided, however, that** in no circumstances shall the principal amount of Notes represented by the Permanent Global Note exceed the initial principal amount of Notes represented by the Temporary Global Note.

If:

- (a) the Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of the Temporary Global Note has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or
- (b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Conditions of the Notes or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver a Permanent Global Note) will become void at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant).

The Permanent Global Note will become exchangeable, in whole but not in part only and at the request of the bearer of the Permanent Global Note, for Bearer Notes in definitive form ("**Definitive Notes**"):

- (i) on the expiry of such period of notice as may be specified in the Final Terms; or
- (ii) at any time, if so specified in the Final Terms; or
- (iii) if the Final Terms specifies "in the limited circumstances described in the Permanent Global Note", then if either of the following events occurs;
 - (a) 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 legal holidays) or announces an intention permanently to cease business; or
 - (b) any of the circumstances described in Condition 14 (*Events of Default*) occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or

- (b) the Permanent Global Note was originally issued in exchange for part only of a Temporary Global Note representing the Notes and such Temporary Global Note becomes void in accordance with its terms; or
- (c) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Conditions of the Notes or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on the date on which such Temporary Global Note becomes void (in the case of (b) above) or at 5.00 p.m. (London time) on such due date ((c) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant).

Temporary Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership. If the Specified Denomination of the Notes stated in the final terms includes language substantially to the following effect: "[EUR 100,000] and integral multiples of [EUR 1,000] in excess thereof up to and including [EUR 199,000]", the Notes cannot be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and - if at the time of exchange into definitive form more than 27 coupon payments are left - Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Temporary Global Note for Definitive Notes; or
- (b) the Temporary Global Note (or any part thereof) has become due and payable in accordance with the Conditions of the Notes or the date for final redemption of the Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant).

Permanent Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or
- (ii) at any time, if so specified in the relevant Final Terms; or
- (iii) if the relevant Final Terms specifies "in the limited circumstances described in the Permanent Global Note", then if either of the following events occurs:
 - (a) 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 legal holidays) or announces an intention permanently to cease business; or
 - (b) any of the circumstances described in Condition 14 (*Events of Default*) occurs.

If the Specified Denomination of the Notes stated in the final terms includes language substantially to the following effect: "[EUR 100,000] and integral multiples of [EUR 1,000] in excess thereof up to and including [EUR 199,000]", the Notes cannot be represented on issue by a Permanent Global Note exchangeable for Definitive Notes.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and - if at the time of exchange into definitive form more than 27 coupon payments are left - Talons attached (if so specified in the Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been duly delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) the Permanent Global Note (or any part thereof) has become due and payable in accordance with the Conditions of the Notes or the date for final redemption of the Permanent Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date ((b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant).

Rights under Deed of Covenant

Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Note or a Permanent Global Note which becomes void will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Temporary Global Note or Permanent Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out in the relevant Conditions and the provisions of the relevant Final Terms which complete those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

VPS Notes

Each tranche of VPS Notes will be issued in uncertificated and dematerialised book entry form. Legal title to the VPS Notes will be evidenced by book entries in the records of the VPS. On the issue of such VPS Notes, the Issuer will send a letter to the VPS Trustee, with copies sent to the Agent and the VPS Agent (the "**VPS Letter**"), which will set out the terms of the relevant issue of VPS Notes in the form of a Final Terms supplement attached thereto. On delivery of a copy of such VPS Letter including the relevant Final Terms to the VPS and notification to the VPS of the subscribers and their VPS account details by the relevant Dealer, the VPS Agent acting on behalf of the Issuer will credit each subscribing account holder with the VPS with a nominal amount of VPS Notes equal to the nominal amount thereof for which it has subscribed and paid.

Settlement of sale and purchase transactions in respect of VPS Notes 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 only take place in accordance with the rules and procedures for the time being of the VPS.

A VPS Trustee might be appointed, and will in such a case, act for the benefit of the holders for the time being of the VPS Notes, in accordance with the provisions of the VPS Trustee Agreement and these Terms and Conditions.

Legend concerning United States persons

In the case of any Tranche of Bearer Notes having a maturity of more than one year, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend 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."

Registered Notes

Each Tranche of Registered Notes will be in the form of either individual note certificates in registered form ("**Individual Note Certificates**") or a global Note in registered form (a "**Global Registered Note**"), in each case as specified in the relevant Final Terms. Each Global Registered Note will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and registered in the name of a nominee for such depositary and will be exchangeable for Individual Note Certificates in accordance with its terms.

If the relevant Final Terms specifies the form of Notes as being "Individual Note Certificates", then the Notes will at all times be in the form of Individual Note Certificates issued to each Noteholder in respect of their respective holdings.

If the relevant Final Terms specifies the form of Notes as being "Global Registered Note exchangeable for Individual Note Certificates", then the Notes will initially be in the form of a Global Registered Note which will be exchangeable in whole, but not in part, for Individual Note Certificates:

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or

- (ii) at any time, if so specified in the relevant Final Terms; or
- (iii) if the relevant Final Terms specifies "in the limited circumstances described in the Global Registered Note", then if either of the following events occurs:
 - (a) 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 legal holidays) or announces an intention permanently to cease business; or
 - (b) any of the circumstances described in Condition 14 (*Events of Default*) occurs.

Whenever the Global Registered Note is to be exchanged for Individual Note Certificates, the Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Registered Note within five business days of the delivery, by or on behalf of the registered holder of the Global Registered Note to the Registrar of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Registered Note at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

If:

- (a) Individual Note Certificates have not been delivered by 5.00 p.m. (London time) on the thirtieth day after they are due to be issued and delivered in accordance with the terms of the Global Registered Note; or
- (b) any of the Notes represented by a Global Registered Note (or any part of it) has become due and payable in accordance with the Conditions of the Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the holder of the Global Registered Note in accordance with the terms of the Global Registered Note on the due date for payment,

then the Global Registered Note (including the obligation to deliver Individual Note Certificates) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the holder of the Global Registered Note will have no further rights thereunder (but without prejudice to the rights which the holder of the Global Registered Note or others may have under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Registered Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Global Registered Note became void, they had been the holders of Individual Note Certificates in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Individual Note Certificate will be endorsed on that Individual Note Certificate and will consist of the terms and conditions set out under "*Terms and Conditions of the Senior Notes*" or "*Terms and Conditions of the Tier 2 Notes*" (as the case may be) below and the provisions of the relevant Final Terms which complete those terms and conditions.

The terms and conditions applicable to any Global Registered Note will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

TERMS AND CONDITIONS OF THE SENIOR NOTES

The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Senior Note in definitive form issued under the Programme. The terms and conditions applicable to any Senior Note in global form will differ from those terms and conditions which would apply to the Senior Note were it in definitive form to the extent described under "Summary of Provisions Relating to the Notes while in Global Form" below.

1. Introduction

- (a) *Programme:* Sampo plc (the "**Issuer**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to EUR 4,000,000,000 in aggregate principal amount of notes.
- (b) *Conditions:* These terms and conditions (the "**Conditions**") are applicable to any notes issued under the Programme in respect of which the relevant Final Terms (as defined below) specify that the "Status of the Notes" is "Senior Notes" (any such notes, the "**Notes**").
- (c) *Series:* Notes are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes.
- (d) *Final Terms or Drawdown Prospectus:* The terms and conditions applicable to any particular Tranche of Notes are these Conditions, as completed by a document specific to such Tranche called final terms (the "**Final Terms**") or as supplemented, amended and/or replaced in a separate prospectus specific to such Tranche (the "**Drawdown Prospectus**"). In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms or Drawdown Prospectus shall prevail. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in these Conditions to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus.
- (e) *Agency Agreement:* The Notes are the subject of an amended and restated issue and paying agency agreement dated 3 April 2020 (the "**Agency Agreement**" which expression shall include any amendments or supplements thereto) between the Issuer, Citibank, N.A., London Branch as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes), Citibank, N.A., London Branch as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), the paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes) and the transfer agents named therein (together with the Registrar, the "**Transfer Agents**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes). In these Conditions references to the "**Agents**" are to the Paying Agents and the Transfer Agents and any reference to an "**Agent**" is to any one of them.
- (f) *Deed of Covenant:* The Notes may be issued in bearer form ("**Bearer Notes**"), or in registered form ("**Registered Notes**"). Registered Notes are constituted by a deed of covenant dated 3 April 2020 (the "**Deed of Covenant**" which expression shall include any amendments or supplements thereto) entered into by the Issuer.
- (g) *The Notes:* All subsequent references in these Conditions to "Notes" are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms have been published on the website of the Regulatory News Service operated by the London Stock Exchange at www.londonstockexchange.com/exchange/news/market-news/market-news-home.html.
- (h) *Summaries:* Certain provisions of these Conditions are summaries of the Agency Agreement and the Deed of Covenant and are subject to their detailed provisions. Noteholders and the holders of the related interest coupons (the "**Couponholders**" and the "**Coupons**", respectively), if any, are entitled to the benefit of but have no obligations in respect of all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. Copies of the Agency Agreement and

the Deed of Covenant are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Agents, the initial Specified Offices of which are set out below.

- (i) *VPS Notes*: VPS Notes are in dematerialised form: any references in these terms and conditions to Coupons and Talons shall not apply to VPS Notes and no global or definitive Notes will be issued in respect thereof. These terms and conditions shall be construed accordingly.

2. Interpretation

- (a) *Definitions*: In these Conditions the following expressions have the following meanings:

"Accrual Yield" has the meaning given in the relevant Final Terms;

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

"Additional Financial Centre(s)" means the city or cities specified as such in the relevant Final Terms;

"Anniversary Date" means the date specified in the relevant Final Terms;

"Benchmark Frequency" has the meaning given in the relevant Final Terms;

"Benchmark Gilt" means, in respect of a Reset Period, such United Kingdom government security having an actual or interpolated maturity date on or about the last day of such Reset Period as the Issuer after consultation with the Calculation Agent, on the advice of an investment bank of international repute, may determine would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in sterling and of a comparable tenor to the relevant Reset Period;

"Benchmark Gilt Rate" means, in respect of a Reset Period, the gross redemption yield (expressed as a percentage) of the Benchmark Gilt determined by the Calculation Agent on the basis of the gross redemption yield (expressed as a percentage and rounded up if necessary to four decimal places on a semi-annual compounding basis) of such Benchmark Gilt in respect of that Reset Period in accordance with generally accepted market practice at such time, with the price of the Benchmark Gilt for this purpose being the arithmetic average (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered prices of such Benchmark Gilt quoted by the Reset Reference Banks at 3.00 p.m. (London time) on the relevant Reset Determination Date on a dealing basis for settlement on the next following dealing day (as defined below). If at least four quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two or three quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Benchmark Gilt Rate will be the rounded quotation provided. If no quotations are provided, the Benchmark Gilt Rate will be (i) in the case of each Reset Period other than the Reset Period commencing on the First Reset Note Reset Date, the Reset Rate in respect of the immediately preceding Reset Period or (ii) in the case of the Reset Period commencing on the First Reset Note Reset Date, an amount specified in the relevant Final Terms as the "First Reset Period Fallback";

"Broken Amount" has the meaning given in the relevant Final Terms;

"Business Day" means:

- (i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and
- (ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

"Business Day Convention", in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant 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;
- (iii) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) **"FRN Convention"**, **"Floating Rate Convention"** or **"Eurodollar Convention"** means that each relevant 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 relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
 - (A) 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;
 - (B) 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
 - (C) 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
- (v) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"Calculation Agent" means the Fiscal Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

"Calculation Amount" has the meaning given in the relevant Final Terms;

"Clean-Up Event" has the meaning given in Condition 11(d) (*Clean-up call*);

"CMT Designated Maturity" has the meaning given in the relevant Final Terms;

"CMT Rate" means, in relation to a Reset Period and the Reset Determination Date in relation to such Reset Period, the rate determined by the Calculation Agent, and expressed as a percentage, equal to:

- (i) the yield for United States Treasury Securities at "constant maturity" for the CMT Designated Maturity, as published in the H.15(519) under the caption "treasury constant maturities (nominal)", as that yield is displayed on the CMT Rate Screen Page on such Reset Determination Date;
- (ii) if the yield referred to in paragraph (i) above is not published by 4:00 p.m. (New York City time) on the CMT Rate Screen Page on such Reset Determination Date, the yield for the United States Treasury Securities at "constant maturity" for the CMT Designated

Maturity as published in the H.15(519) under the caption "treasury constant maturities (nominal)" on such Reset Determination Date; or

- (iii) if the yield referred to in paragraph (ii) above is not published by 4:30 p.m. (New York City time) on such Reset Determination Date, the Reset Reference Bank Rate on such Reset Determination Date;

"**CMT Rate Screen Page**" has the meaning given in the relevant Final Terms or any successor service or such other page as may replace that page on that service for the purpose of displaying "treasury constant maturities" as reported in H.15(519);

"**Coupon Sheet**" means, in respect of a Note, a coupon sheet relating to the Note;

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

- (i) if "**Actual/Actual (ICMA)**" is so specified, means:
 - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (b) where the Calculation Period is longer than one Regular Period, the sum of:
 - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (ii) 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);
- (iii) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iv) if "**Actual/365 (Sterling)**" is so specified, means the actual number of days in the Interest Period divided by 365 or, in case of an Interest Payment Date falling in a leap year, 366;
- (v) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (vi) if "**30/360**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

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

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;

- (vii) 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:

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

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

- (viii) 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:

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

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;

"**dealing day**" means a day, other than a Saturday or Sunday, on which the London Stock Exchange (or such other stock exchange on which the Benchmark Gilt is at the relevant time listed) is ordinarily open for the trading of securities;

"**Early Redemption Amount (Tax)**" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

"**Early Termination Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in these Conditions or the relevant Final Terms;

"**Extraordinary Resolution**" has the meaning given in Schedule 2 to the Agency Agreement;

"**Final Redemption Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

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

"**First Reset Note Reset Date**" means the date specified in the relevant Final Terms;

"**First Reset Period**" means the period from (and including) the First Reset Note Reset Date until (but excluding) the first Anniversary Date;

"**First Reset Period Fallback**" has the meaning given to it in the relevant Final Terms;

"**First Reset Rate of Interest**" means the rate of interest being determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Rate plus the Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the First Reset Period (such calculation to be made by the Calculation Agent)), in each case subject to Condition 9 (*Benchmark Discontinuation*);

"**Fixed Leg**" has the meaning given in the relevant Final Terms;

"**Fixed Coupon Amount**" has the meaning given in the relevant Final Terms;

"**Floating Leg**" has the meaning given in the relevant Final Terms;

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

- (i) any obligation to purchase such Indebtedness;
- (ii) 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;
- (iii) any indemnity against the consequences of a default in the payment of such Indebtedness; and

- (iv) any other agreement to be responsible for such Indebtedness;

"Holder", in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination, Title and Transfer - Title to Bearer Notes*), in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination, Title and Transfer - Title to Registered Notes*) and, in the case of VPS Notes, has the meaning given in Condition 3(k) (*Form, Denomination, Title and Transfer - Specific provisions for VPS Notes*);

"H.15(519)" means the weekly statistical release designated as H.15(519), or any successor publication, published by the board of governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15> or any successor site or publication;

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

- (i) amounts raised by acceptance under any acceptance credit facility;
- (ii) amounts raised under any note purchase facility;
- (iii) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (iv) the 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 60 days; and
- (v) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

"Initial Rate of Interest" has the meaning given in the relevant Final Terms;

"Interest Amount" means: (i) in relation to an Interest Period, the amount of interest payable per Calculation Amount for that Interest Period; (ii) in relation to Fixed Rate Notes and Fixed Rate Reset Notes, the Fixed Coupon Amount or Broken Amount specified in the relevant Final Terms as being payable on the relevant Interest Payment Date, unless otherwise specified in the relevant Final Terms; and (iii) in respect of any other period, the amount of interest payable per Calculation Amount for that period;

"Interest Commencement Date" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

"Interest Determination Date" shall mean the date specified as such in the relevant Final Terms or if none is so specified:

- (i) if the Reference Rate is the London interbank offered rate ("**LIBOR**") (other than the Sterling or Euro LIBOR), the second day on which commercial banks and foreign exchange markets settle payments generally in London prior to the start of each Interest Period;
- (ii) if the Reference Rate is Sterling LIBOR, the first day of each Interest Period;
- (iii) if the Reference Rate is Euro LIBOR or the Euro-zone interbank offered rate ("**EURIBOR**"), the second day on which TARGET2 is open prior to the start of each Interest Period;
- (iv) if the Reference Rate is the Copenhagen interbank offered rate ("**CIBOR**"), the second day on which commercial banks and foreign exchange markets settle payments generally in Copenhagen prior to the start of each Interest Period;
- (v) if the Reference Rate is the Norwegian interbank offered rate ("**NIBOR**"), the second day on which commercial banks and foreign exchange markets settle payments generally in Oslo prior to the start of each Interest Period; or

- (vi) if the Reference Rate is the Stockholm interbank offered rate ("**STIBOR**"), the second day on which commercial banks and foreign exchange markets settle payments generally in Stockholm prior to the start of each Interest Period.

"Interest Payment Date" means the First Interest Payment Date (if any) and any date or dates specified as such in the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"Interest Period" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

"ISDA Definitions" means the 2000 ISDA Definitions (as amended and updated as at the Issue Date 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.), or, if so specified in the relevant Final Terms, 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.;

"Issue Date" has the meaning given in the relevant Final Terms;

"London Stock Exchange" means the London Stock Exchange plc;

"Margin" has the meaning given in the relevant Final Terms;

"Material Subsidiary" means:

- (i) on the basis of the most recent audited consolidated accounts of the Issuer, any Subsidiary whose total consolidated assets represent at least 5 per cent. of the total consolidated assets of the Issuer; or
- (ii) whose total consolidated revenues represent at least 5 per cent. of the total consolidated revenues of the Issuer; or
- (iii) any other Subsidiary to which is transferred either (A) all or substantially all of the assets of another Subsidiary which immediately prior to the transfer was a Material Subsidiary or (B) sufficient assets of the Issuer that such Subsidiary would have been a Material Subsidiary had the transfer occurred on or before the date of the most recent audited consolidated accounts of the Issuer, and

a report by the auditors to the Issuer that in their opinion a Subsidiary is or is not or was or was not at any particular time a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties;

"Maturity Date" has the meaning given in the relevant Final Terms;

"Maximum Rate of Interest" has the meaning given in the relevant Final Terms;

"Maximum Redemption Amount" has the meaning given in the relevant Final Terms;

"Member State" are references to a Member State of the European Economic Area;

"Mid-Swap Quotations" means the arithmetic mean of the bid and offered rates;

- (i) if the Specified Currency is sterling, for a semi-annual fixed leg (calculated on an Actual/365 day count basis) of a fixed for floating interest rate swap transaction in sterling which (i) has a term commencing on the relevant Reset Note Reset Date which is equal to that of the relevant Swap Rate Period; (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the relevant swap market; and (iii) has a floating leg based on the 6-month LIBOR rate (calculated on an Actual/365 day count basis), unless as otherwise specified in the relevant Final Terms;
- (ii) if the Specified Currency is euro, for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed for floating interest rate swap transaction in euro which (i) has a term commencing on the relevant Reset Note Reset Date which is equal to that of the relevant Swap Rate Period; (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the relevant swap market; and (iii) has a floating leg based on the 6-month EURIBOR rate (calculated on an Actual/360 day count basis), unless as otherwise specified in the relevant Final Terms;
- (iii) if the Specified Currency is US dollars, for the semi-annual fixed leg (calculated on a 30/360 day count basis) of a fixed for floating interest rate swap transaction in US dollars which (i) has a term commencing on the relevant Reset Note Reset Date which is equal to that of the relevant Swap Rate Period; (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the relevant swap market; and (iii) has a floating leg based on the 3-month LIBOR rate (calculated on an Actual/360 day count basis), unless as otherwise specified in the relevant Final Terms; and
- (iv) if the Specified Currency is not sterling, euro or US dollars, for the Fixed Leg (as set out in the relevant Final Terms) of a fixed for floating interest rate swap transaction in that Specified Currency which (i) has a term commencing on the relevant Reset Note Reset Date which is equal to that of the relevant Swap Rate Period; (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the relevant swap market; and (iii) has a Floating Leg (as set out in the relevant Final Terms);

"Mid-Swap Rate" means in respect of a Reset Period, (i) the applicable semi-annual or annual (as specified in the relevant Final Terms) mid swap rate for swap transactions in the Specified Currency (with a maturity equal to that of the relevant Swap Rate Period) as displayed on the Relevant Screen Page at 11.00 a.m. (in the Principal Financial Centre of the Specified Currency) on the relevant Reset Determination Date or (ii) if such rate is not displayed on the Relevant Screen Page at such time and date, the relevant Reset Reference Bank Rate;

"Minimum Rate of Interest" has the meaning given in the relevant Final Terms;

"Minimum Redemption Amount" has the meaning given in the relevant Final Terms;

"Noteholder", in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination, Title and Transfer - Title to Bearer Notes*), in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination, Title and Transfer - Title to Registered Notes*) and, in the case of VPS Notes, has the meaning given in Condition 3(k) (*Form, Denomination, Title and Transfer - Specific provisions for VPS Notes*);

"Optional Redemption Amount (Call)" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

"Optional Redemption Amount (Put)" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

"Optional Redemption Date (Call)" has the meaning given in the relevant Final Terms;

"Optional Redemption Date (Put)" has the meaning given in the relevant Final Terms;

"Payment Business Day" means:

- (i) if the currency of payment is euro, any day which is:
 - (A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (B) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (ii) if the currency of payment is not euro, any day which is:
 - (A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (B) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

"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;

"Principal Financial Centre" means, in relation to any currency, the principal financial centre for that currency **provided, however, that:**

- (i) in relation to euro, it means the principal financial centre of such Member State as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (ii) in relation to New Zealand dollars, it means either Wellington or Auckland is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

"Put Option Notice" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"Put Option Receipt" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"Rate of Interest" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions, in each case subject to Condition 9 (*Benchmark Discontinuation*);

"Redemption Amount" means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in the relevant Final Terms;

"Reference Banks" has the meaning given in the relevant Final Terms or, if none, four major banks selected by the Issuer and notified to the Calculation Agent in the market that is most closely connected with the Reference Rate;

"Reference Price" has the meaning given in the relevant Final Terms;

"Reference Rate" shall mean (i) LIBOR, (ii) EURIBOR, (iii) CIBOR, (iv) NIBOR, or (v) STIBOR, in each case for the relevant currency and for the relevant period, as specified in the relevant Final Terms;

"Regular Period" means:

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

"Relevant Date" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"Relevant Financial Centre" shall mean (i) London, in the case of a determination of LIBOR, (ii) Brussels, in the case of a determination of EURIBOR, (iii) Copenhagen, in the case of a determination of CIBOR, (iv) Oslo, in the case of a determination of NIBOR, or (v) Stockholm, in the case of a determination of STIBOR, as specified in the relevant Final Terms;

"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);

"Relevant Screen Page" means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying comparable rates or prices;

"Relevant Time" shall mean (i) in the case of LIBOR, 11.00 a.m., (ii) in the case of EURIBOR, 11.00 a.m., (iii) in the case of CIBOR, 11. a.m., (iv) in the case of NIBOR, 12.00 noon or (v) in the case of STIBOR, 11.00 a.m., in each case in the Relevant Financial Centre, or such other time, as specified in the relevant Final Terms;

"Reserved Matter" means any proposal:

- (i) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment;
- (ii) to effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;

- (iii) to change the currency in which amounts due in respect of the Notes are payable;
- (iv) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or
- (v) to amend this definition;

"Reset Determination Date" means, in respect of a Reset Period, (a) each date specified as such in the relevant Final Terms or, if none is so specified, (b) (i) if the Specified Currency is sterling, the first Business Day of such Reset Period, (ii) if the Specified Currency is euro, the day falling two TARGET Settlement Days prior to the first day of such Reset Period, (iii) if the Specified Currency is US dollars, the day falling two U.S. Government Securities Business Days prior to the first day of such Reset Period or (iv) for any other Specified Currency, the day falling two Business Days in the Principal Financial Centre for such Specified Currency prior to the first day of such Reset Period;

"Reset Margin" has the meaning given in the relevant Final Terms;

"Reset Note Reset Date" means every date which falls on each Anniversary Date;

"Reset Period" means the First Reset Period or a Subsequent Reset Period;

"Reset Rate" means, in each case subject to Condition 9 (*Benchmark Discontinuation*) (a) if "Mid-Swap Rate" is specified in the relevant Final Terms, the relevant Mid-Swap Rate, (b) if "Benchmark Gilt Rate" is specified in the relevant Final Terms, the relevant Benchmark Gilt Rate or (c) if "CMT Rate" is specified in the relevant Final Terms, the relevant CMT Rate;

"Reset Reference Bank Rate" means the percentage rate determined on the basis of (a) if "Mid-Swap Rate" is specified in the relevant Final Terms, the Mid-Swap Quotations provided by the Reset Reference Banks to the Calculation Agent at or around 11:00 a.m. in the Principal Financial Centre of the Specified Currency on the relevant Reset Determination Date or (b) if "CMT Rate" is specified in the relevant Final Terms, the Reset United States Treasury Securities Quotations provided by the Reset Reference Banks to the Calculation Agent at or around 4:30 p.m. (New York City time) on the relevant Reset Determination Date and, in either case, rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards). If at least four quotations are provided, the Reset Reference Bank Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two or three quotations are provided, the Reset Reference Bank Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Reset Reference Bank Rate will be the rounded quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be the last observable relevant Mid-Swap Rate or CMT Rate (as applicable) which appears on the Relevant Screen Page or the CMT Rate Screen Page (as applicable), as determined by the Calculation Agent;

"Reset Reference Banks" means (i) in the case of the calculation of a Reset Reference Bank Rate where "Mid-Swap Rate" is specified in the relevant Final Terms, five leading swap dealers in the principal interbank market relating to the Specified Currency, (ii) in the case of the calculation of a Reset Reference Bank Rate where "CMT Rate" is specified in the relevant Final Terms, five banks which are primary U.S. Treasury securities dealers or market makers in pricing corporate bond issues denominated in U.S. dollars in New York or (iii) in the case of a Benchmark Gilt Rate, five brokers of gilts and/or gilt-edged market makers, in each case, as selected by the Issuer and notified to the Calculation Agent;

"Reset United States Treasury Securities Quotations" means, in relation to a Reset Period and the Reset Determination Date in relation to such Reset Period, the rate determined by the Calculation Agent as being a yield-to-maturity based on the arithmetic mean of the secondary market bid prices of the Reset Reference Banks for Reset United States Treasury Securities at approximately 4:30 p.m. (New York City time) on such Reset Determination Date;

"Reset United States Treasury Securities" means, on the relevant Reset Determination Date, United States Treasury Securities with an original maturity equal to the CMT Designated Maturity, a remaining term to maturity of no more than one year shorter than the CMT Designated Maturity

and in a principal amount equal to an amount that is representative for a single transaction in such United States Treasury Securities in the New York City market. If two or more United States Treasury Securities have remaining terms to maturity of no less than one year shorter than the CMT Designated Maturity, the United States Treasury Security with the longer remaining term to maturity will be used and if two or more United States Treasury Securities have remaining terms to maturity equally close to the duration of the CMT Designated Maturity, the United States Treasury Security with the largest nominal amount outstanding will be used;

"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;

"Specified Currency" has the meaning given in the relevant Final Terms;

"Specified Denomination(s)" has the meaning given in the relevant Final Terms;

"Specified Office" has the meaning given in the Agency Agreement;

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

"Subsidiary" means, in relation to any Person (the **"first Person"**) at any particular time, any other Person (the **"second Person"**):

- (i) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

"Subsequent Reset Period" means each successive period other than the First Reset Period from (and including) a Reset Note Reset Date to (but excluding) the next succeeding Reset Note Reset Date up to (but excluding) the Maturity Date

"Subsequent Reset Rate of Interest" means, in respect of any Subsequent Reset Period, the rate of interest being determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Rate plus the Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the relevant Subsequent Reset Period (such calculation to be made by the Calculation Agent)), in each case subject to Condition 9 (*Benchmark Discontinuation*);

"Swap Rate Period" has the meaning given in the relevant Final Terms;

"Talon" means a talon for further Coupons;

"TARGET2" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

"TARGET Settlement Day" means any day on which TARGET2 is open for the settlement of payments in euro;

"Taxes" has the meaning given in Condition 15 (*Taxation*);

"United States Treasury Securities" means securities that are direct obligations of the United States Treasury, issued other than on a discount rate basis;

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

"VPS" means the Norwegian Central Securities Depository Verdipapirsentralen ASA of Fred Olsens gate 1, 0152 Oslo, Norway;

"VPS Agent" means the entity acting as agent of the Issuer in respect of all dealings with the VPS in respect of VPS Notes as detailed in a VPS agency agreement (the "VPS Agency Agreement");

"VPS Notes" means notes issued through VPS;

"VPS Noteholder" has the definition ascribed to it in Condition 3(k) (*Form, Denomination, Title and Transfer - Specific provisions for VPS Notes*);

"VPS Trustee" means the entity Nordic Trustee ASA (formerly known as Norsk Tillitsmann ASA), which might be appointed to act for the benefit of the holders for the time being of the VPS Notes in accordance with the provisions of a VPS trustee agreement (the "VPS Trustee Agreement") and these Terms and Conditions; and

"Zero Coupon Note" means a Note specified as such in the relevant Final Terms.

(b) *Interpretation:* In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 15 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 15 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being "outstanding" shall be construed in accordance with the Agency Agreement;
- (vii) if an expression is stated in Condition 2(a) (*Interpretation - Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes; and
- (viii) any reference to the Agency Agreement shall be construed as a reference to the Agency Agreement as amended and/or supplemented up to and including the Issue Date of the Notes.

3. **Form, Denomination, Title and Transfer**

- (a) *Bearer Notes:* Bearer Notes are in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.
- (b) *Title to Bearer Notes:* Title to Bearer Notes and the Coupons will pass by delivery. In the case of Bearer Notes, "**Holder**" means the holder of such Bearer Note and "**Noteholder**" and "**Couponholder**" shall be construed accordingly.

- (c) *Registered Notes:* Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the relevant Final Terms and higher integral multiples of a smaller amount specified in the relevant Final Terms.
- (d) *Title to Registered Notes:* The Registrar will maintain the register in accordance with the provisions of the Agency Agreement. A certificate (each, a "**Note Certificate**") will be issued to each Holder of Registered Notes in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register. In the case of Registered Notes, "**Holder**" means the person in whose name such Registered Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly.
- (e) *Ownership:* The Holder of any Note or Coupon shall (except as otherwise required by law) 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 other interest therein, any writing thereon or, in the case of Registered Notes, on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.
- (f) *Transfers of Registered Notes:* Subject to paragraphs (i) (*Closed periods*) and (j) (*Regulations concerning transfers and registration*) below, a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; **provided, however, that** a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a Holder are being transferred) the principal amount of the balance of Registered Notes not transferred are Specified Denominations. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.
- (g) *Registration and delivery of Note Certificates:* Within five business days of the surrender of a Note Certificate in accordance with paragraph (f) (*Transfers of Registered Notes*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, "**business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.
- (h) *No charge:* The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.
- (i) *Closed periods:* Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes.
- (j) *Regulations concerning transfers and registration:* All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.
- (k) *Specific provisions for VPS Notes:* Each tranche of VPS Notes will be created and held in uncertificated book entry form in accounts with the VPS. VPS Notes will not be evidenced by any physical note or document of title other than a statement of account made by the VPS. Ownership of VPS Notes will be recorded and transfer effected only through the book entry system and register

maintained by the VPS. The holder of a VPS Note (a "**VPS Noteholder**") will be the person evidenced as such by a book entry in the records of the VPS. The Issuer and the VPS Trustee may rely on a certificate of the VPS or one issued on behalf of the VPS by an account-carrying institution as to a particular person being a VPS Noteholder. Title to the VPS Notes will pass by registration in the VPS between the direct and indirect accountholders at the VPS in accordance with the rules and procedures of the VPS that are in force from time to time. Where a nominee is so evidenced, it shall be treated by the Issuer as the holder of the relevant VPS Note. A VPS Agent will act as an agent of the Issuer in respect of all dealings with the VPS in respect of VPS Notes. A VPS Trustee might be appointed, and will in such a case, act for the benefit of the holders for the time being of the VPS Notes, in accordance with the provisions of the VPS Trustee Agreement and these Terms and Conditions.

4. **Status**

The Notes constitute direct, general and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

5. **Negative Pledge**

So long as any Note remains outstanding, the Issuer shall not, and the Issuer shall procure that none of its respective Material Subsidiaries will, create or permit to subsist any 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 or Guarantee of Relevant Indebtedness without (a) at the same time or prior thereto securing the Notes equally and rateably therewith or (b) providing such other security or other arrangement (whether or not it includes the giving of a Security Interest) for the Notes as may be approved by an Extraordinary Resolution of Noteholders.

6. **Fixed Rate Note Provisions**

- (a) *Application:* This Condition 6 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 12 (*Payments - Bearer Notes*) and Condition 13 (*Payments - Registered Notes*), as applicable. Each Note will cease to bear interest from the due date for final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Fixed Coupon Amount:* The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.
- (d) *Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

7. **Fixed Rate Reset Note Provisions**

- (a) *Application:* This Condition 7 is applicable to the Notes only if the Fixed Rate Reset Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest:
 - (i) from (and including) the Interest Commencement Date until (but excluding) the First Reset Note Reset Date at the Initial Rate of Interest;
 - (ii) from (and including) the First Reset Note Reset Date until (but excluding) the first Anniversary Date at the First Reset Rate of Interest; and
 - (iii) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest,
- (c) and such interest shall be payable, in each case, in arrear on each Interest Payment Date, subject as provided in Condition 12 (*Payments - Bearer Notes*) and Condition 13 (*Payments - Registered Notes*), as applicable. Each Note will cease to bear interest from the due date for final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (d) *Fixed Coupon Amount:* The amount of interest payable in respect of each Note from (and including) the Interest Commencement Date until (but excluding) the First Reset Note Reset Date shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.
- (e) *Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified will be calculated by applying the Rate of Interest for such period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each such Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (f) *Publication, notifications etc:* The provisions of Conditions 8(g) (*Publication*) and 8(h) (*Notifications etc.*) shall apply to the Notes.

8. **Floating Rate Note Provisions**

- (a) *Application:* This Condition 8 is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 12 (*Payments - Bearer Notes*) and Condition 13 (*Payments - Registered Notes*), as applicable. Each Note will cease to bear interest from the due date for final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 8 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) *Screen Rate Determination:* If 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, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (ii) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant 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 which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:
 - (A) one rate shall be determined as if the relevant Interest Period 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 relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period; **provided, however, that** if no rate is available for a period of time next shorter 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;
- (iii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iv) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
 - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
 - (B) determine the arithmetic mean of such quotations; and
- (v) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

(d) *ISDA Determination:* If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "ISDA Rate" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the

ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
- (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms;
- (iii) the relevant Reset Date (as defined in the ISDA Definitions) is the day as specified in the relevant Final Terms; and
- (iv) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant 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 Floating Rate Option, 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.

- (e) *Maximum or Minimum Rate of Interest:* If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.
- (f) *Calculation of Interest Amount:* The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "sub-unit" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (g) *Publication:* The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and, in the case of the VPS Notes, the VPS and the VPS Agent, as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant 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.

- (h) *Notifications etc:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

9. **Benchmark Discontinuation:**

Notwithstanding the provisions above in Conditions 6 (*Fixed Rate Note Provisions*), 7 (*Fixed Rate Reset Provisions*), and 8 (*Floating Rate Note Provisions*), if a Benchmark Event occurs in relation to an Original Reference Rate at any time when these Conditions provide for any remaining Rate of Interest (or any component part(s) thereof) to be determined by reference to such Original Reference Rate, then the following provisions shall apply.

(i) *Independent Adviser*

The Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 9(ii) (*Successor Rate or Alternative Rate*)) and, in either case, an Adjustment Spread if any (in accordance with Condition 9(iii) (*Adjustment Spread*)) and any Benchmark Amendments (in accordance with Condition 9(iv) (*Benchmark Amendments*)).

An Independent Adviser appointed pursuant to this Condition 9 shall act in good faith and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Paying Agents, the Calculation Agent, any other party specified in the relevant Final Terms as being responsible for calculating the Rate of Interest or the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with to the operation of this Condition 9.

(ii) *Successor Rate or Alternative Rate*

If the Issuer, following consultation with the Independent Adviser and acting in good faith determines that:

- (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 9(iii) (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of Condition 9(i)); 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 9(iii) (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of Condition 9(i)).

(iii) *Adjustment Spread*

If the Issuer, following consultation with the Independent Adviser and acting in good faith determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable)).

(iv) *Benchmark Amendments*

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 9 and the Issuer, following consultation with the Independent Adviser and acting in good faith determines (i) that amendments to these Conditions (including without limitation, amendments to the definitions of Day Count Fraction, Business Day, Relevant Screen Page, Interest Determination Date, Reset Determination Date, Relevant Time, Relevant Financial Centre, Reference Banks, Principal Financial Centre, Business Day Convention or Additional Business Centre) 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, and subject to the Issuer giving notice thereof in accordance with Condition 9(v) (*Notices, etc.*), without any requirement for the consent or approval of Noteholders or Couponholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 9(iv), the Issuer shall comply with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading.

(v) *Notices, etc.*

The Issuer shall notify the Paying Agents and the Calculation Agent or any other party specified in the relevant Final Terms as being responsible for calculating the Rate of Interest and, in accordance with Condition 22 (*Notices*), the Noteholders and the Couponholders promptly of any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 9. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such notice will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any)) be binding on the Issuer, the Paying Agents, the Calculation Agent, any other party specified in the relevant Final Terms as being responsible for calculating the Rate of Interest, the Noteholders and the Couponholders.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under the provisions of this Condition 9, the Original Reference Rate and the fallback provisions provided for in the definitions of Reset Reference Bank Rate, Benchmark Gilt Rate and in Condition 8(c) (*Screen Rate Determination*) will continue to apply unless and until a Benchmark Event has occurred and only then once the Paying Agents and Calculation Agent or such other party specified in the relevant Final Terms, as applicable, have been notified of the Successor Rate or Alternative Rate (as the case may be) and any Adjustment Spread (if applicable) and Benchmark Amendments (if applicable) in accordance with Condition 9(v) (*Notices, etc.*).

(vii) *Fallbacks*

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the relevant Interest Determination Date or Reset Determination, the Issuer is unable to appoint an Independent Advisor or no Successor Rate or Alternative Rate (as applicable) is determined pursuant to this Condition 9 by such Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall (a) in the case of Notes in respect of which the Floating Rate Note Provisions applies, be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period and (b) otherwise be determined in accordance with the definitions of Benchmark Gilt Rate and/or Reset Reference Bank Rate (as the case may be) (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating

to the relevant Interest Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period).

For the avoidance of doubt, this Condition 9 shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date only, and the Rate of Interest applicable to any subsequent Interest Period(s) is subject to the subsequent operation of, and to adjustment as provided in, this Condition 9.

(viii) *Definitions*

In this Condition 9:

"Adjustment Spread" means either a spread (which may be positive or negative), or the quantum of the formula or methodology for calculating a spread, in either case, which the Issuer, following consultation with the Independent Adviser and acting in good faith determines should be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders or Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, quantum formula or methodology which:

- (A) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (B) in the case of an Alternative Rate or (where (A) above does not apply) in the case of a Successor Rate, the Issuer, following consultation with the Independent Adviser and acting in good faith determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Original 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 Issuer determines that (A) above does not apply and no such spread, quantum formula or methodology is recognised or acknowledged as being customary market usage as referred to in (B) above) the Issuer, in its discretion, following consultation with the Independent Adviser and acting in good faith determines to be appropriate;

"Alternative Rate" means an alternative to the benchmark or screen rate which the Issuer, following consultation with the Independent Adviser and acting in good faith determines in accordance with Condition 9(ii) (*Successor Rate or Alternative Rate*) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) or if no such rate exists, the rate which is most comparable to the Original Reference Rate, for a comparable interest period and in the same Specified Currency as the Notes;

"Benchmark Amendments" has the meaning given to it in Condition 9(iv) (*Benchmark Amendments*);

"Benchmark Event" means:

- (A) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to be calculated, administered or published;
- (B) the later of (i) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (ii) the date falling six months prior to the specified date referred to in (B)(i) above;

- (C) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued;
- (D) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (ii) the date falling six months prior to the specified date referred to in (D)(i) above;
- (E) the later of (i) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case on or before a specified date and (ii) the date falling six months prior to the specified date referred to in (E)(i) above;
- (F) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative of an underlying market; or
- (G) it has become unlawful for any Paying Agent, the Calculation Agent or such other party as specified in the relevant Final Terms to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate including, without limitation, under the Benchmark Regulation (EU) 2016/1011, if applicable;

"Independent Adviser" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 9 at its own expense;

"Original Reference Rate" means the originally-specified benchmark or screen rate (as applicable) used to determine the relevant Rate of Interest (or any component part thereof) on the Notes;

"Relevant Nominating Body" means, in respect of the Original Reference Rate:

- (A) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate; or
- (B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the Original Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate, (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 Original Reference Rate which is formally recommended by any Relevant Nominating Body.

10. **Zero Coupon Note Provisions**

- (a) *Application:* This Condition 10 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Late payment on Zero Coupon Notes:* If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:
 - (i) the Reference Price; and

- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

11. **Redemption and Purchase**

- (a) *Scheduled redemption*: Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 12 (*Payments - Bearer Notes*), Condition 13 (*Payments - Registered Notes*) and Condition 14 (*Payments - VPS Notes*).
- (b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuer in whole, but not in part:
 - (i) at any time (if the Floating Rate Note Provisions are not specified in the relevant Final Terms as being applicable); or
 - (ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if:

- (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 15 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of Finland or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes; and
- (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided, however, that no such notice of redemption shall be given earlier than:

- (1) where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due; or
- (2) where the Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent and, in the case of VPS Notes to the VPS Agent and make available to Noteholders, (A) a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. Upon the expiry of any such notice as is referred to in this Condition 11(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 11(b).

- (c) *Redemption at the option of the Issuer:* If Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).
- (d) *Clean-up call:* If Issuer Residual Call is specified in the relevant Final Terms as being applicable and if at any time 80 per cent. or more of the aggregate principal amount of any Series of Notes (including for these purposes, any further securities issued pursuant to Condition 21 (*Further Issues*)) so as to be consolidated and form a single series with the Notes) has been purchased by the Issuer or any of its Subsidiaries and cancelled pursuant to these Conditions (the "**Clean-Up Event**"), then the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms to the Noteholders in accordance with Condition 22 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption) redeem all (but not some only) of the Notes of the relevant Series at their Residual Early Redemption Amount, together with any accrued interest and Arrears of Interest.
- (e) *Partial redemption:* If the Notes are to be redeemed in part only on any date in accordance with Condition 11(c) (*Redemption and Purchase - Redemption at the option of the Issuer*), in the case of Bearer Notes or VPS Notes, the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and, the rules of the VPS, in case of VPS Notes and the notice to Noteholders referred to in Condition 11(c) (*Redemption and Purchase - Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed, and, in the case of Registered Notes, each Note shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Notes to be redeemed on the relevant Optional Redemption Date (Call) bears to the aggregate principal amount of outstanding Notes on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.
- (f) *Redemption at the option of Noteholders:* If Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the Holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 11(e), the Holder of a Note must, not less than the minimum period nor more than the maximum period specified in the relevant Final Terms before the relevant Optional Redemption Date (Put), deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 11(e), may be withdrawn; **provided, however, that** if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 11(e), the depositor of such Note and not such Paying Agent shall be deemed to be the Holder of such Note for all purposes.

In the case of VPS Notes, Noteholders must, within the notice period, give notice to the relevant VPS Agent of such exercise in accordance with the standard procedures of the VPS from time to time.

- (g) *No other redemption:* The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) to (e) above.
- (h) *Early redemption of Zero Coupon Notes:* Unless an amount is otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:
 - (i) the Reference Price; and
 - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

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 such Day Count Fraction as may be specified in the relevant Final Terms for the purposes of this Condition 11(g) or, if none is so specified, a Day Count Fraction of 30E/360.

- (i) *Purchase:* The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, **provided that** all unmatured Coupons are purchased therewith. Any Notes and unmatured Coupons so purchased by the Issuer or any of its Subsidiaries may be held, redeemed, reissued or resold.
- (j) *Cancellation:* All Notes so redeemed pursuant to this Condition 11, or purchased by the Issuer or any of its Subsidiaries pursuant to paragraph (h) above and thereupon redeemed, and any unmatured Coupons attached to or surrendered with them shall be cancelled and, in the case of VPS Notes, deleted from the records of VPS, and may not be reissued or resold.

12. **Payments - Bearer Notes**

This Condition 12 is only applicable to Bearer Notes.

- (a) *Principal:* Payments of principal shall be made only against presentation and (**provided that** payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.
- (b) *Interest:* Payments of interest shall, subject to paragraph (h) below, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) above.
- (c) *Payments in New York City:* Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.
- (d) *Payments subject to fiscal laws:* All payments in respect of the Bearer Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 15 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

- (e) *Deductions for unmatured Coupons:* If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented without all unmatured Coupons relating thereto:
- (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **provided, however, that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
 - (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
 - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; **provided, however, that** where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
 - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **provided, however, that**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and (**provided that** payment is made in full) surrender of the relevant missing Coupons.

- (f) *Unmatured Coupons void:* On the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 11(b) (*Redemption and Purchase - Redemption for tax reasons*), Condition 11(e) (*Redemption and Purchase - Redemption at the option of Noteholders*), Condition 11(c) (*Redemption and Purchase - Redemption at the option of the Issuer*), Condition 11(d) (*Clean-up call*) or Condition 16 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.
- (g) *Payments on business days:* If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the Holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
- (h) *Payments other than in respect of matured Coupons:* Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by paragraph (c) above).
- (i) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
- (j) *Exchange of Talons:* On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon

Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 17 (*Prescription*)). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

13. Payments - Registered Notes

This Condition 13 is only applicable to Registered Notes.

- (a) *Principal:* Payments of principal shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Fiscal Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (b) *Interest:* Payments of interest shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Fiscal Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (c) *Payments subject to fiscal laws:* All payments in respect of the Registered Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 15 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders in respect of such payments.
- (d) *Payments on business days:* Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a Payment Business Day or (B) a cheque mailed in accordance with this Condition 13 arriving after the due date for payment or being lost in the mail.
- (e) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.
- (f) *Record date:* Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Registered Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

14. **Payments - VPS Notes**

Payments of principal and interest in respect of VPS Notes will be made to the VPS Noteholders shown in the records of the VPS (i) in accordance with and subject to the rules and regulations from time to time regulating the VPS and (ii) subject to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

15. **Taxation**

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall 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 ("**Taxes**") imposed, levied, collected, withheld or assessed by or on behalf of Finland, or the jurisdiction in which the Issuer is incorporated or tax resident from time to time, or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such Taxes is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon:

- (i) held by or on behalf of a Holder which is liable to such Taxes in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such Taxes have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or
- (ii) held by or on behalf of a Holder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (iii) where the relevant Note or Coupon or Note Certificate is presented or surrendered for payment more than 30 days after the Relevant Date except to the extent that the Holder of such Note or Coupon or Note Certificate would have been entitled to such additional amounts on presenting or surrendering such Note or Coupon or Note Certificate for payment on the last day of such period of 30 days.

16. **Events of Default**

If any of the following events occurs and is continuing:

- (a) *Non-payment*: the Issuer fails to pay any amount of principal in respect of the Notes within 5 days of the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within 7 days of the due date for payment thereof; or
- (b) *Breach of other obligations*: if the Issuer fails to perform or observe any of its other obligations under or in respect of the Notes and the failure continues for the period of 30 days after notice thereof shall have been given by the holder of any of the Notes to the Issuer or to the Specified Office of the Fiscal Agent; or
- (c) *Cross-default of Issuer or Subsidiary*:
 - (i) any Indebtedness of the Issuer or any of its respective Material Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;
 - (ii) any such Indebtedness becomes (or becomes capable of being declared) due and payable prior to its stated maturity otherwise than at the option of the Issuer or the Material Subsidiary or (**provided that** no event of default, howsoever described, has occurred) any Person entitled to such Indebtedness; or

- (iii) the Issuer or any of its respective Material Subsidiaries fails to pay when due any amount payable by it under any Guarantee of any Indebtedness;

provided that the amount of Indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above and/or the amount payable under any Guarantee referred to in sub-paragraph (iii) above individually or in the aggregate exceeds EUR 30,000,000 (or its equivalent in any other currency or currencies); or

- (d) *Unsatisfied judgment*: one or more judgment(s) or order(s) for the payment an aggregate amount in excess of EUR 10,000,000 (or its equivalent in any other currency or currencies) is rendered against the Issuer or any of its Subsidiaries and continue(s) unsatisfied and unstayed for a period of 30 days after the date(s) 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 where the value of the undertaking, assets and revenues in question exceeds EUR 10,000,000; or
- (f) *Insolvency etc*: the Issuer shall be adjudicated or found bankrupt or insolvent, or shall suspend payments, or any order or action shall be made or taken by any competent court or administrative agency, or any resolution shall be passed by the Issuer, to apply for judicial composition proceedings with its creditors or for the appointment of a receiver or trustee or other similar official in insolvency proceedings in relation to the Issuer or a substantial part of its assets, or the Issuer shall be wound up or dissolved; or
- (g) *Analogous event*: any event occurs which under the laws of Finland has an analogous effect to any of the events referred to in paragraphs (d) to (f) above,

then any Note may, by written notice addressed by the Holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its Early Termination Amount together with accrued interest (if any) without further action or formality.

17. **Prescription**

Claims for principal in respect of Bearer Notes shall become void unless the relevant Bearer Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest in respect of Bearer Notes shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date. Claims for principal and interest on redemption in respect of Registered Notes shall become void unless the relevant Note Certificates are surrendered for payment within ten years of the appropriate Relevant Date. VPS Notes will become void unless presented for payment within a period of ten years (in the case of principal) and three years (in the case of interest) after the Relevant Date.

18. **Replacement of Notes and Coupons**

If any Note, Note Certificate or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent or Transfer Agent in any particular place, the Paying Agent or Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Note Certificates or Coupons must be surrendered before replacements will be issued.

19. **Agents**

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. If any additional Agents are appointed in connection with any Series, the names of such Agents will be specified in Part B of the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor fiscal agent or registrar or Calculation Agent and additional or successor paying agents; **provided, however, that:**

- (a) the Issuer shall at all times maintain a fiscal agent and a registrar; and
- (b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and
- (c) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent and/or a Transfer Agent in any particular place, the Issuer shall maintain a Paying Agent and/or a Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given the Noteholders.

20. **Meetings of Noteholders; Modification and Waiver**

- (a) *Meetings of Noteholders:* The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more Persons holding or representing a clear majority of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, one or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; **provided, however, that** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, not less than a clear majority of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

- (b) *Modification:* The Notes, these Conditions and the Deed of Covenant may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error or if such modification is of a formal, minor or technical nature. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

The Issuer may, in accordance with Condition 9 (Benchmark Discontinuation), vary or amend these Conditions to give effect to certain amendments without any requirement for the consent or approval of Noteholders, as described in Condition 9 (Benchmark Discontinuation).

- (c) *Provisions with respect to holders of VPS Notes:* The VPS Trustee Agreement might contain provisions for convening meetings of the VPS Noteholders to consider any matter affecting their interests, including sanctioning by a majority of two-thirds of votes (as more fully set out in the Agency Agreement) of a modification of the VPS Notes or any of the provisions of the VPS Trustee Agreement or the VPS Trustee Agreement. Such a meeting may be convened by the Issuer, the

VPS Trustee, or by VPS Noteholders holding not less than 5 per cent. of the Voting VPS Notes (as defined in the VPS Trustee Agreement). The quorum at any such meeting for passing a resolution requiring a two-thirds voting majority is one or more persons holding at least one half of the Voting VPS Notes or at any adjourned meeting one or more persons being or representing VPS Noteholders whatever the nominal amount of the VPS Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the VPS Notes, the VPS Trustee Agreement or the VPS Agency Agreement (including modifying the date of maturity of the VPS Notes or any date for payment of interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the VPS Notes or altering the currency of payment of the VPS Notes), the quorum shall be one or more persons holding or representing not less than two-thirds in aggregate nominal amount of the VPS Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in aggregate nominal amount of the VPS Notes for the time being outstanding. A resolution passed at any meeting of the VPS Noteholders shall be binding on all the VPS Noteholders, whether or not they are present at such meeting.

21. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

22. **Notices**

- (a) *Bearer Notes*: Notices to the Holders of Bearer Notes shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed, including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any such notice shall be deemed to have been given on the date of first 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). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Holders of Bearer Notes.
- (b) *Registered Notes*: Notices to the Holders of Registered Notes shall be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the fourth day after the date of mailing.
- (c) *VPS Notes*: Notices to the VPS Noteholders shall be valid if the relevant notice is given to the VPS for communication by it to the VPS Noteholders. If in the opinion of the VPS Trustee (if applicable) any such publication is not practicable, notice shall be validly given if published in a leading daily English language newspaper (which is expected to be the *Financial Times*) with general circulation in Europe. Any such notice shall be deemed to have been given on the date seven days after delivery to the VPS and/or on the date of such publication in a newspaper or, if published more than once or on different dates, on the date of the first publication as provided above.

23. **Currency Indemnity**

If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first

currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

24. **Rounding**

For the purposes of any calculations referred to in these Conditions, (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), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) 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.

25. **Governing Law and Jurisdiction**

- (a) *Governing law:* The Notes and any non-contractual obligations arising out of or in connection with the Notes shall be governed by, and shall be construed in accordance with, English law, except that the VPS Notes and any non-contractual obligations arising out of or in connection with the VPS Notes shall be governed by, and shall be construed in accordance with, the laws of Norway.
- (b) *English courts:* The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including a dispute relating to the existence, validity or termination of the Notes or any non-contractual obligation arising out of or in connection with the Notes) or the consequences of their nullity.
- (c) *Appropriate forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) *Rights of the Noteholders to take proceedings outside England:* Notwithstanding Condition 25(b) (*English courts*), any Noteholder may take proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.
- (e) *Norwegian courts:* In addition, the Issuer agrees, for the exclusive benefit of the VPS Trustee, the VPS Agent and the VPS Noteholders that the courts of Norway are to have jurisdiction to settle any disputes which may arise out of, or in connection with, the VPS Trustee Agreement and the VPS Agency Agreement.
- (f) *Service of Process:* The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to If P&C Insurance Company, UK branch at Alpha House, 24a Lime Street, London, EC3M 7HJ, United Kingdom, or to such other person with an address in England or Wales and/or at such other address in England or Wales as the Issuer may specify by notice in writing to the Noteholders. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition 25(f) applies to Proceedings in England and to Proceedings elsewhere.

TERMS AND CONDITIONS OF THE TIER 2 NOTES

The following, except for the paragraphs in italics, is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Tier 2 Note in definitive form issued under the Programme. The terms and conditions applicable to any Tier 2 Note in global form will differ from those terms and conditions which would apply to the Tier 2 Note were it in definitive form to the extent described under "Summary of Provisions Relating to the Notes while in Global Form" below.

1. Introduction

- (a) *Programme*: Sampo plc (the "**Issuer**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to EUR 4,000,000,000 in aggregate principal amount of notes.
- (b) *Conditions*: These terms and conditions (the "**Conditions**") are applicable to any notes issued under the Programme in respect of which the relevant Final Terms (as defined below) specify that the "Status of the Notes" is "Tier 2 Notes" (any such notes, the "**Notes**").
- (c) *Series*: Notes are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes.
- (d) *Final Terms or Drawdown Prospectus*: The terms and conditions applicable to any particular Tranche of Notes are these Conditions (the "**Conditions**"), as completed by a document specific to such Tranche called final terms (the "**Final Terms**") or as supplemented, amended and/or replaced in a separate prospectus specific to such Tranche (the "**Drawdown Prospectus**"). In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms or Drawdown Prospectus shall prevail. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in these Conditions to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus.
- (e) *Agency Agreement*: The Notes are the subject of an amended and restated issue and paying agency agreement dated 3 April 2020 (the "**Agency Agreement**" which expression shall include any amendments or supplements thereto) between the Issuer, Citibank, N.A., London Branch as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes), Citibank, N.A., London Branch as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), the paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes) and the transfer agents named therein (together with the Registrar, the "**Transfer Agents**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes). In these Conditions references to the "**Agents**" are to the Paying Agents and the Transfer Agents and any reference to an "**Agent**" is to any one of them.
- (f) *Deed of Covenant*: The Notes may be issued in bearer form ("**Bearer Notes**"), or in registered form ("**Registered Notes**"). Registered Notes are constituted by a deed of covenant dated 3 April 2020 (the "**Deed of Covenant**" which expression shall include any amendments or supplements thereto) entered into by the Issuer.
- (g) *The Notes*: All subsequent references in these Conditions to "Notes" are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms have been published on the website of the Regulatory News Service operated by the London Stock Exchange at www.londonstockexchange.com/exchange/news/market-news/market-news-home.html.
- (h) *Summaries*: Certain provisions of these Conditions are summaries of the Agency Agreement and the Deed of Covenant and are subject to their detailed provisions. Noteholders and the holders of the related interest coupons (the "**Couponholders**" and the "**Coupons**", respectively), if any, are entitled to the benefit of but have no obligations in respect of all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. Copies of the Agency Agreement and

the Deed of Covenant are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Agents, the initial Specified Offices of which are set out below.

- (i) *VPS Notes*: VPS Notes are in dematerialised form: any references in these terms and conditions to Coupons and Talons shall not apply to VPS Notes and no global or definitive Notes will be issued in respect thereof. These terms and conditions shall be construed accordingly.

2. Interpretation

- (a) *Definitions*: In these Conditions the following expressions have the following meanings:

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

"Additional Financial Centre(s)" means the city or cities specified as such in the relevant Final Terms;

"Anniversary Date" means the date specified in the relevant Final Terms;

"Arrears of Interest" has the meaning given in Condition 9(c) (*Arrears of Interest*);

"Assets" means, for the purposes only of the definition of Solvent, at any time, the non-consolidated total assets of the Issuer, as shown by the then latest published audited balance sheet of the Issuer, but adjusted for contingencies and for subsequent events, all valued in such manner as the Board of Directors of the Issuer (as the case may be) may determine;

"Authorised Signatory" means any registered authorised signatory of the Issuer or any other person or persons duly authorised by the Board of Directors who, jointly with another Authorised Signatory, has the authority to sign the company name on behalf of the Issuer;

"Benchmark Gilt" means, in respect of a Reset Period, such United Kingdom government security having an actual or interpolated maturity date on or about the last day of such Reset Period as the Issuer after consultation with the Calculation Agent, on the advice of an investment bank of international repute, may determine would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in sterling and of a comparable tenor to the relevant Reset Period;

"Benchmark Gilt Rate" means, in respect of a Reset Period, the gross redemption yield (expressed as a percentage) of the Benchmark Gilt determined by the Calculation Agent on the basis of the gross redemption yield (expressed as a percentage and rounded up if necessary to four decimal places on a semi-annual compounding basis) of such Benchmark Gilt in respect of that Reset Period in accordance with generally accepted market practice at such time, with the price of the Benchmark Gilt for this purpose being the arithmetic average (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered prices of such Benchmark Gilt quoted by the Reset Reference Banks at 3.00 p.m. (London time) on the relevant Reset Determination Date on a dealing basis for settlement on the next following dealing day (as defined below). If at least four quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two or three quotations are provided, the Benchmark Gilt Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Benchmark Gilt Rate will be the rounded quotation provided. If no quotations are provided, the Benchmark Gilt Rate will be (i) in the case of each Reset Period other than the Reset Period commencing on the First Reset Note Reset Date, the Reset Rate in respect of the immediately preceding Reset Period or (ii) in the case of the Reset Period commencing on the First Reset Note Reset Date, an amount specified in the relevant Final Terms as the "First Reset Period Fallback";

"Benchmark Frequency" has the meaning given in the relevant Final Terms;

"Board of Directors" means the board of directors of the Issuer;

"Broken Amount" has the meaning given in the relevant Final Terms;

"Business Day" means:

- (i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and
- (ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

"Business Day Convention", in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant 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;
- (iii) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) **"FRN Convention", "Floating Rate Convention" or "Eurodollar Convention"** means that each relevant 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 relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**
 - (A) 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;
 - (B) 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
 - (C) 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
- (v) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"Calculation Agent" means the Fiscal Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

"Calculation Amount" has the meaning given in the relevant Final Terms;

"Capital Disqualification Event" is deemed to have occurred if as a result of any replacement of, or change to (or change to the interpretation by any court or authority entitled to do so of), the Relevant Rules becoming effective on or after the Issue Date of the last Tranche of the Notes of the relevant Series or the Issuer Supervisor has stated in writing to the Issuer that all or any part of the Notes are no longer capable of counting as:

- (i) cover for capital requirements or treated as own funds (however such terms might be described in Solvency II or the Relevant Rules) applicable to the Issuer and/or the Solvency II Group whether on a solo, group or consolidated basis, or
- (ii) Tier 2 Capital for the purposes of the Issuer and/or the Solvency II Group whether on a solo, group or consolidated basis,

except where in the case of either paragraphs (i) or (ii) above such non-qualification is only as a result of any applicable limitation on the amount of such capital;

"Clean-Up Event" has the meaning given in Condition 10(g) (*Clean-up call*);

"CMT Designated Maturity" has the meaning given in the relevant Final Terms;

"CMT Rate" means, in relation to a Reset Period and the Reset Determination Date in relation to such Reset Period, the rate determined by the Calculation Agent, and expressed as a percentage, equal to:

- (i) the yield for United States Treasury Securities at "constant maturity" for the CMT Designated Maturity, as published in the H.15(519) under the caption "treasury constant maturities (nominal)", as that yield is displayed on the CMT Rate Screen Page on such Reset Determination Date;
- (ii) if the yield referred to in paragraph (i) above is not published by 4:00 p.m. (New York City time) on the CMT Rate Screen Page on such Reset Determination Date, the yield for the United States Treasury Securities at "constant maturity" for the CMT Designated Maturity as published in the H.15(519) under the caption "treasury constant maturities (nominal)" on such Reset Determination Date; or
- (iii) if the yield referred to in paragraph (ii) above is not published by 4:30 p.m. (New York City time) on such Reset Determination Date, the Reset Reference Bank Rate on such Reset Determination Date;

"CMT Rate Screen Page" has the meaning given in the relevant Final Terms or any successor service or such other page as may replace that page on that service for the purpose of displaying "treasury constant maturities" as reported in H.15(519);

"Compulsory Interest Payment Date" means each Interest Payment Date which is not a Mandatory Interest Deferral Date during the six (6) months immediately prior to which:

- (i) a declaration or payment of any distribution or dividend on or in respect of any Junior Obligations or Parity Obligations has been made by the Issuer; or
- (ii) the Issuer, directly or indirectly, redeemed, repurchased or acquired any Junior Obligations or Parity Obligations (with the exception of any repurchases in connection with stock options or ownership programmes for management or employees that are made in the normal course of business),

provided that, it shall not be a Compulsory Interest Payment Date solely by virtue of any payment on any Junior Obligations or Parity Obligations the terms of which do not allow the issuer of the relevant securities to defer, pass on or eliminate the relevant payment;

"Coupon Sheet" means, in respect of a Note, a coupon sheet relating to the Note;

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

- (i) if **"Actual/Actual (ICMA)"** is so specified, means:
 - (a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided

by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

- (b) where the Calculation Period is longer than one Regular Period, the sum of:
- (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (ii) 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);
- (iii) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iv) if "**Actual/365 (Sterling)**" is so specified, means the actual number of days in the Interest Period divided by 365 or, in case of an Interest Payment Date falling in a leap year, 366;
- (v) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (vi) if "**30/360**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

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

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;

- (vii) 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:

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

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

- (viii) 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:

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

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 (if any) 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;

"dealing day" means a day, other than a Saturday or Sunday, on which the London Stock Exchange (or such other stock exchange on which the Benchmark Gilt is at the relevant time listed) is ordinarily open for the trading of securities;

"Early Redemption Amount" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

"Extraordinary Resolution" has the meaning given in Schedule 2 to the Agency Agreement;

"Final Redemption Amount" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

In setting the Final Redemption Amount the Issuer shall have consideration to the limitations set out in any Relevant Rules.

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

"First Reset Note Reset Date" means the date specified in the relevant Final Terms;

In setting the First Reset Note Reset Date, the Issuer shall have consideration to the limitations set out in any Relevant Rules.

"First Reset Period" means the period from (and including) the First Reset Note Reset Date until (but excluding) the first Anniversary Date;

"First Reset Period Fallback" has the meaning given to it in the relevant Final Terms;

"First Reset Rate of Interest" means the rate of interest being determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Rate plus the Reset Margin (with such sum converted (if necessary) from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the First Reset Period (such calculation to be made by the Calculation Agent)), in each case subject to Condition 8 (*Benchmark Discontinuation*);

"Fixed Leg" has the meaning given in the relevant Final Terms;

"Fixed Coupon Amount" has the meaning given in the relevant Final Terms;

"Floating Leg" has the meaning given in the relevant Final Terms;

"H.15(519)" means the weekly statistical release designated as H.15(519), or any successor publication, published by the board of governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15> or any successor site or publication;

"Holder", in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination, Title and Transfer - Title to Bearer Notes*), in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination, Title and Transfer - Title to Registered Notes*) and, in the case of VPS Notes, has the meaning given in Condition 3(k) (*Form, Denomination, Title and Transfer - Specific provisions for VPS Notes*);

"Initial Rate of Interest" has the meaning given in the relevant Final Terms;

"Insolvent Insurer Winding-up" means:

- (i) the winding-up of any insurance or reinsurance undertaking (each as defined in the Solvency II Directive) within the Solvency II Group; or
- (ii) the appointment of an administrator of any insurance or reinsurance undertaking (each as defined in the Solvency II Directive) within the Solvency II Group,

in each case, where the Issuer has determined that the assets of that insurance undertaking may or will be insufficient to meet all claims of the policyholders pursuant to a contract of insurance of that insurance undertaking which is in a winding-up or administration (and, for these purposes, the claims of policyholders pursuant to a contract of insurance shall include all amounts to which policyholders are entitled under applicable legislation or rules relating to the winding-up of insurance companies that reflect any right to receive or expectation of receiving benefits which policyholders may have);

"Interest" includes, where appropriate, Arrears of Interest;

"Interest Amount" means, in relation to an Interest Period, the amount of interest payable per Calculation Amount for that Interest Period and which, in the case of Fixed Rate Notes and Fixed Rate Reset Notes, and unless otherwise specified in the relevant Final Terms, shall mean the Fixed Coupon Amount or Broken Amount specified in the relevant Final Terms as being payable on the relevant Interest Payment Date; and, in respect of any other period, the amount of interest payable per Calculation Amount for that period;

"Interest Commencement Date" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

"Interest Determination Date" shall mean the date specified as such in the relevant Final Terms or if none is so specified:

- (i) if the Reference Rate is the London interbank offered rate ("**LIBOR**") (other than the Sterling or Euro LIBOR), the second day on which commercial banks and foreign exchange markets settle payments generally in London prior to the start of each Interest Period;
- (ii) if the Reference Rate is Sterling LIBOR, the first day of each Interest Period;
- (iii) if the Reference Rate is Euro LIBOR or the Euro-zone interbank offered rate ("**EURIBOR**"), the second day on which TARGET2 is open prior to the start of each Interest Period;
- (iv) if the Reference Rate is the Copenhagen interbank offered rate ("**CIBOR**"), the second day on which commercial banks and foreign exchange markets settle payments generally in Copenhagen prior to the start of each Interest Period;
- (v) if the Reference Rate is the Norwegian interbank offered rate ("**NIBOR**"), the second day on which commercial banks and foreign exchange markets settle payments generally in Oslo prior to the start of each Interest Period; or
- (vi) if the Reference Rate is the Stockholm interbank offered rate ("**STIBOR**"), the second day on which commercial banks and foreign exchange markets settle payments generally in Stockholm prior to the start of each Interest Period;

"Interest Payment Date" means the First Interest Payment Date (if any) and any date or dates specified as such in the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"Interest Payments" means payments of interest in respect of the Notes;

"Interest Period" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

"ISDA Definitions" means the 2000 ISDA Definitions (as amended and updated as at the Issue Date 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.), or, if so specified in the relevant Final Terms, 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.;

"Issue Date" has the meaning given in the relevant Final Terms;

"Issuer Supervisor" means the Finnish Financial Supervisory Authority (*Fi. Finanssivalvonta*) and/or any entity (including any successor entity thereto) with primary responsibility for regulatory supervision of the Issuer and/or the Solvency II Group for Solvency II purposes, as determined by the Issuer;

"Junior Obligations" means:

- (i) all classes of share capital (including, without limitation, preference share capital) of the Issuer; and
- (ii) subordinated obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital constitute, Tier 1 Capital of the Issuer; and
- (iii) subordinated obligations of the Issuer ranking or expressed to rank junior to the Notes;

"Liabilities" means, for the purposes only of the definition of Solvent, at any time, the non-consolidated liabilities of the Issuer, as shown by the then latest published audited balance sheet of the Issuer, but adjusted for contingencies and for subsequent events, all valued in such manner as the Board of Directors of the Issuer (as the case may be) may determine;

"Liquidation" of any person shall mean the voluntary liquidation or mandatory liquidation of such person pursuant to the Finnish Companies Act (624/2006, as amended) or such person being adjudicated or found bankrupt;

"London Stock Exchange" means the London Stock Exchange plc;

"Mandatory Interest Deferral Date" means each Interest Payment Date (or for the purposes only of Condition 9(c) (*Arrears of Interest*) each date) in respect of which a Regulatory Deficiency Interest Deferral Event has occurred and is continuing or would occur if payment of interest was made on such Interest Payment Date;

"Mandatory Redemption Suspension Date" means any date in respect of which a Regulatory Deficiency Redemption Suspension Event has occurred and is continuing or would occur if the payment of the relevant redemption amount otherwise due pursuant to Condition 10 (*Redemption, Purchase, Substitution and Variation*) was made on such date;

"Margin" has the meaning given in the relevant Final Terms;

In setting the Margin in respect of Fixed/Floating Rate Notes, the Issuer shall have consideration to the limitations set out in any Relevant Rules.

"Maturity Date" has the meaning given in the relevant Final Terms;

In setting the Maturity Date, the Issuer shall have consideration to the limitations set out in any Relevant Rules.

"Maximum Rate of Interest" has the meaning given in the relevant Final Terms;

"Maximum Redemption Amount" has the meaning given in the relevant Final Terms;

"Member State" are references to a Member State of the European Economic Area;

"Mid-Swap Quotations" means the arithmetic mean of the bid and offered rates:

- (i) if the Specified Currency is sterling, for a semi-annual fixed leg (calculated on an Actual/365 day count basis) of a fixed for floating interest rate swap transaction in sterling which (i) has a term commencing on the relevant Reset Note Reset Date which is equal to that of the relevant Swap Rate Period; (ii) is in an amount that is representative

of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the relevant swap market; and (iii) has a floating leg based on the 6-month LIBOR rate (calculated on an Actual/365 day count basis), unless as otherwise specified in the relevant Final Terms;

- (ii) if the Specified Currency is euro, for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed for floating interest rate swap transaction in euro which (i) has a term commencing on the relevant Reset Note Reset Date which is equal to that of the relevant Swap Rate Period; (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the relevant swap market; and (iii) has a floating leg based on the 6-month EURIBOR rate (calculated on an Actual/360 day count basis), unless as otherwise specified in the relevant Final Terms;
- (iii) if the Specified Currency is US dollars, for the semi-annual fixed leg (calculated on a 30/360 day count basis) of a fixed for floating interest rate swap transaction in US dollars which (i) has a term commencing on the relevant Reset Note Reset Date which is equal to that of the relevant Swap Rate Period; (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the relevant swap market; and (iii) has a floating leg based on the 3-month LIBOR rate (calculated on an Actual/360 day count basis), unless as otherwise specified in the relevant Final Terms; and
- (iv) if the Specified Currency is not sterling, euro or US dollars, for the Fixed Leg (as set out in the relevant Final Terms) of a fixed for floating interest rate swap transaction in that Specified Currency which (i) has a term commencing on the relevant Reset Note Reset Date which is equal to that of the relevant Swap Rate Period; (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the relevant swap market; and (iii) has a Floating Leg (as set out in the relevant Final Terms);

"Mid-Swap Rate" means in respect of a Reset Period, (i) the applicable semi-annual or annual (as specified in the relevant Final Terms) mid swap rate for swap transactions in the Specified Currency (with a maturity equal to that of the relevant Swap Rate Period) as displayed on the Relevant Screen Page at 11.00 a.m. (in the Principal Financial Centre of the Specified Currency) on the relevant Reset Determination Date or (ii) if such rate is not displayed on the Relevant Screen Page at such time and date, the relevant Reset Reference Bank Rate;

"Minimum Capital Requirement" means the minimum Solvency Capital Requirement applicable to the Issuer or the Solvency II Group, whether on a solo, group or consolidated basis, referred to in, or any other minimum capital requirement howsoever described in, Solvency II or the Relevant Rules;

"Minimum Rate of Interest" has the meaning given in the relevant Final Terms;

"Minimum Redemption Amount" has the meaning given in the relevant Final Terms;

"Noteholder", in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination, Title and Transfer - Title to Bearer Notes*), in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination, Title and Transfer - Title to Registered Notes*) and, in the case of VPS Notes, has the meaning given in Condition 3(k) (*Form, Denomination, Title and Transfer - Specific provisions for VPS Notes*);

"Optional Interest Payment Date" means any Interest Payment Date:

- (i) which is not a Mandatory Interest Deferral Date; and
- (ii) which is not a Compulsory Interest Payment Date;

"Optional Redemption Amount" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

In setting the Optional Redemption Amount, the Issuer shall have consideration to the limitations set out in any Relevant Rules.

"Optional Redemption Date" has the meaning given in the relevant Final Terms;

In setting the Optional Redemption Date, the Issuer shall have consideration to the limitations set out in any Relevant Rules.

"Parity Obligations" means subordinated obligations of the Issuer which constitute, or would but for any applicable limitation on the amount of such capital, constitute Tier 2 Capital and any other obligations ranking or expressed to rank *pari passu* with the Notes;

"Payment Business Day" means:

- (i) if the currency of payment is euro, any day which is:
 - (A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (B) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (ii) if the currency of payment is not euro, any day which is:
 - (A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (B) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

"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;

"Principal Financial Centre" means, in relation to any currency, the principal financial centre for that currency **provided, however, that:**

- (i) in relation to euro, it means the principal financial centre of such Member State as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (ii) in relation to New Zealand dollars, it means either Wellington or Auckland is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

"Qualifying Tier 2 Securities" means securities issued directly or indirectly by the Issuer that have terms not materially less favourable to a Noteholder (as reasonably determined by the Issuer in consultation with an independent investment bank of international standing and provided that a certification to such effect (including as to the consultation with the independent investment bank and in respect of (i) to (viii) below) signed by two Authorised Signatories shall have been delivered to the Fiscal Agent and made available to the Noteholders, and in the case of VPS Notes to the VPS Agent and the VPS Trustee (if applicable), (upon which the Fiscal Agent, the VPS Agent and the VPS Trustee (as the case may be) shall be entitled to rely without liability to any person) prior to the issue of the relevant securities) and shall (i) contain terms which comply with the then current requirements of the Relevant Rules in relation to Tier 2 Capital, (ii) have the same interest rate and interest payment dates, (iii) rank senior or *pari passu* with the Notes, (iv) preserve the rights to any unpaid accrued interest and/or Arrears of Interest, (v) have the same credit ratings, (vi) contain the same redemption provisions, (vii) have been approved by the Issuer Supervisor in accordance with

the Relevant Rules and (viii) to the extent that such securities are issued indirectly, benefit from a subordinated guarantee from the Issuer with terms equivalent to Tier 2 Capital;

"Rate of Interest" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions, in each case subject to Condition 8 (*Benchmark Discontinuation*);

"Rating Agency" means any of S&P Global Ratings Europe Limited, Moody's Investors Service Ltd. and Fitch Ratings Limited or any affiliate thereof or successor thereto;

"Rating Agency Event" will be deemed to occur upon a change in the rating methodology of a Rating Agency (or in the interpretation of such methodology) becoming effective on or after the Issue Date of the last Tranche of the Notes of the relevant Series as a result of which the equity content assigned by the relevant Rating Agency to the Notes, as notified by such Rating Agency to the Issuer or as published by such Rating Agency, becomes, in the reasonable opinion of the Issuer, materially less favourable when compared to the equity content assigned by the relevant Rating Agency to the Notes on or around the Issue Date of the last Tranche of the Notes of the relevant Series;

"Redemption Amount" means, as appropriate, the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount, Residual Early Redemption Amount or such other amount in the nature of a redemption amount as may be specified in the relevant Final Terms;

"Reference Banks" has the meaning given in the relevant Final Terms or, if none, four major banks selected by the Issuer and notified to the Calculation Agent in the market that is most closely connected with the Reference Rate;

"Reference Price" has the meaning given in the relevant Final Terms;

"Reference Rate" shall mean (i) LIBOR, (ii) EURIBOR, (iii) CIBOR, (iv) NIBOR, or (v) STIBOR, in each case for the relevant currency and for the relevant period, as specified in the relevant Final Terms;

"Regular Period" means:

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

"Regulatory Deficiency Interest Deferral Event" means any event (i) (including, without limitation, any event which causes the Solvency Capital Requirement or the Minimum Capital Requirement applicable to the Issuer or the Solvency II Group (as the case may be) to be breached and such breach is an event) which under Solvency II and/or the Relevant Rules would require the Issuer to defer Interest Payments (or, if applicable, Arrears of Interest) in respect of the Notes and/or (ii) where the Issuer Supervisor has directly notified the Issuer in writing that such deferral of Interest Payments (or, if applicable, Arrears of Interest) in respect of the Notes is required and the Issuer Supervisor has not revoked such notification;

"Regulatory Deficiency Redemption Suspension Event" means any event (i) (including, without limitation, where an Insolvent Insurer Winding-up has occurred and is continuing, or any event which causes the Solvency Capital Requirement or the Minimum Capital Requirement applicable to the Issuer or the Solvency II Group (as the case may be) to be breached and the continuation of such Insolvent Insurer Winding-up is or as the case may be, such breach is, an event) which under Solvency II and/or the Relevant Rules would require the Issuer to suspend repayment or redemption of the Notes and/or (ii) where the Issuer Supervisor has directly notified the Issuer in writing that such suspension of repayment or redemption of the Notes is required and the Issuer Supervisor has not revoked such notification;

"Relevant Date" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"Relevant Financial Centre" shall mean (i) London, in the case of a determination of LIBOR, (ii) Brussels, in the case of a determination of EURIBOR, (iii) Copenhagen, in the case of a determination of CIBOR, (iv) Oslo, in the case of a determination of NIBOR, or (v) Stockholm, in the case of a determination of STIBOR, as specified in the relevant Final Terms;

"Relevant Jurisdiction" means the Republic of Finland or any political subdivision or any authority thereof or therein having power to tax in respect of payments made by the Issuer of principal or interest on the Notes or Coupons;

"Relevant Rules" means any legislation, rules, regulations or guidelines (whether having the force of law or otherwise) applying to the Issuer or the Solvency II Group from time to time implementing Solvency II or otherwise relating to the characteristics, features or criteria of own funds or capital resources and the requirement to retain capital resources in excess of prescribed capital resources requirement and, for the avoidance of doubt and without limitation to the foregoing, includes any legislation, rules and regulations or guidelines relating to such matters which are supplementary or extraneous to the obligations imposed on Member States by the Solvency II Directive;

"Relevant Screen Page" means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying comparable rates or prices;

"Relevant Time" shall mean (i) in the case of LIBOR, 11.00 a.m., (ii) in the case of EURIBOR, 11.00 a.m., (iii) in the case of CIBOR, 11. a.m., (iv) in the case of NIBOR, 12.00 noon or (v) in the case of STIBOR, 11.00 a.m., in each case in the Relevant Financial Centre, or such other time, as specified in the relevant Final Terms;

"Reserved Matter" means any proposal:

- (i) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment;
- (ii) to effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (iii) to change the currency in which amounts due in respect of the Notes are payable;
- (iv) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution; or

(v) to amend this definition;

"Reset Determination Date" means, in respect of a Reset Period, (a) each date specified as such in the relevant Final Terms or, if none is so specified, (b) (i) if the Specified Currency is sterling, the first Business Day of such Reset Period, (ii) if the Specified Currency is euro, the day falling two TARGET Settlement Days prior to the first day of such Reset Period, (iii) if the Specified Currency is US dollars, the day falling two U.S. Government Securities Business Days prior to the first day of such Reset Period or (iv) for any other Specified Currency, the day falling two Business Days in the Principal Financial Centre for such Specified Currency prior to the first day of such Reset Period;

"Reset Margin" has the meaning given in the relevant Final Terms;

In setting the Reset Margin the Issuer shall have consideration to the limitations set out in any Relevant Rules.

"Reset Note Reset Date" means every date which falls on each Anniversary Date;

"Reset Period" means the First Reset Period or a Subsequent Reset Period;

"Reset Rate" means, in each case subject to Condition 8 (*Benchmark Discontinuation*) (a) if "Mid-Swap Rate" is specified in the relevant Final Terms, the relevant Mid-Swap Rate, (b) if "Benchmark Gilt Rate" is specified in the relevant Final Terms, the relevant Benchmark Gilt Rate or (c) if "CMT Rate" is specified in the relevant Final Terms, the relevant CMT Rate;

"Reset Reference Bank Rate" means the percentage rate determined on the basis of (a) if "Mid-Swap Rate" is specified in the relevant Final Terms, the Mid-Swap Quotations provided by the Reset Reference Banks to the Calculation Agent at or around 11:00 a.m. in the Principal Financial Centre of the Specified Currency on the relevant Reset Determination Date or (b) if "CMT Rate" is specified in the relevant Final Terms, the Reset United States Treasury Securities Quotations provided by the Reset Reference Banks to the Calculation Agent at or around 4:30 p.m. (New York City time) on the relevant Reset Determination Date and, in either case, rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards). If at least four quotations are provided, the Reset Reference Bank Rate will be the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two or three quotations are provided, the Reset Reference Bank Rate will be the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Reset Reference Bank Rate will be the rounded quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be the last observable relevant Mid-Swap Rate or CMT Rate (as applicable) which appears on the Relevant Screen Page or the CMT Rate Screen Page (as applicable), as determined by the Calculation Agent;

"Reset Reference Banks" means (i) in the case of the calculation of a Reset Reference Bank Rate where "Mid-Swap Rate" is specified in the relevant Final Terms, five leading swap dealers in the principal interbank market relating to the Specified Currency, (ii) in the case of the calculation of a Reset Reference Bank Rate where "CMT Rate" is specified in the relevant Final Terms, five banks which are primary U.S. Treasury securities dealers or market makers in pricing corporate bond issues denominated in U.S. dollars in New York or (iii) in the case of a Benchmark Gilt Rate, five brokers of gilts and/or gilt-edged market makers, in each case, as selected by the Issuer and notified to the Calculation Agent;

"Reset United States Treasury Securities" means, on the relevant Reset Determination Date, United States Treasury Securities with an original maturity equal to the CMT Designated Maturity, a remaining term to maturity of no more than one year shorter than the CMT Designated Maturity and in a principal amount equal to an amount that is representative for a single transaction in such United States Treasury Securities in the New York City market. If two or more United States Treasury Securities have remaining terms to maturity of no less than one year shorter than the CMT Designated Maturity, the United States Treasury Security with the longer remaining term to maturity will be used and if two or more United States Treasury Securities have remaining terms to maturity equally close to the duration of the CMT Designated Maturity, the United States Treasury Security with the largest nominal amount outstanding will be used;

"Reset United States Treasury Securities Quotations" means, in relation to a Reset Period and the Reset Determination Date in relation to such Reset Period, the rate determined by the Calculation Agent as being a yield-to-maturity based on the arithmetic mean of the secondary market bid prices of the Reset Reference Banks for Reset United States Treasury Securities at approximately 4:30 p.m. (New York City time) on such Reset Determination Date;

"Residual Early Redemption Amount" has the meaning given in the relevant Final Terms;

In setting the Residual Early Redemption Amount, the Issuer shall have consideration to the limitations set out in any Relevant Rules.

"Senior Creditors" means all creditors of the Issuer (i) who are policyholders from time to time or other unsubordinated creditors of the Issuer, or otherwise rank or are expressed to rank senior to the Notes; or (ii) who are subordinated creditors of the Issuer other than those whose claims by law rank, or by their terms are expressed to rank, *pari passu* with or junior to the Notes;

"Solvency II" means the Solvency II Directive and any implementing measures adopted pursuant to and to give effect to the Solvency II Directive (for the avoidance of doubt, whether implemented by way of regulation or by further directives or otherwise);

"Solvency II Directive" means Directive 2009/138/EC of the European Union (as amended) on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II);

"Solvency II Group" means the Ultimate Solvency II Regulated Entity and such other group entities as may be construed as part of such regulatory group under Solvency II or the Relevant Rules or otherwise by the Issuer Supervisor, as the case may be;

"Solvency Capital Requirement" means the Solvency Capital Requirement of the Issuer or the Solvency II Group, in each case whether on a solo, group or consolidated basis, referred to in, or any other capital requirement howsoever described in, Solvency II or the Relevant Rules;

The Issuer shall be **"Solvent"** if:

- (i) it is able to pay its debts as they fall due; and
- (ii) its Assets exceed its Liabilities.

A report as to the Solvency or lack of Solvency of the Issuer signed by two Authorised Signatories or, in certain circumstances as provided in the Agency Agreement, accountants of international repute appointed by the Board of Directors or (if the Issuer is in liquidation, bankruptcy proceedings, dissolution, administration or other winding-up in its jurisdiction of incorporation) its liquidator, bankruptcy trustee or administrator shall in the absence of manifest error be treated and accepted by the Issuer, the Fiscal Agent, (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable) and the Noteholders and Couponholders as correct and sufficient evidence thereof;

"Solvency Condition" has the meaning given in Condition 4(b) (*Subordination*);

"Specified Currency" has the meaning given in the relevant Final Terms;

"Specified Denomination(s)" has the meaning given in the relevant Final Terms;

"Specified Office" has the meaning given in the Agency Agreement;

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

"Subsequent Reset Period" means each successive period other than the First Reset Period from (and including) a Reset Note Reset Date to (but excluding) the next succeeding Reset Note Reset Date up to (but excluding) the Maturity Date (if any);

"Subsequent Reset Rate of Interest" means, in respect of any Subsequent Reset Period, the rate of interest being determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Reset Rate plus the Reset Margin (with such sum converted (if necessary)

from a basis equivalent to the Benchmark Frequency to a basis equivalent to the frequency with which scheduled interest payments are payable on the relevant Notes during the relevant Subsequent Reset Period (such calculation to be made by the Calculation Agent)), in each case subject to Condition 8 (*Benchmark Discontinuation*);

"Subsidiary" means, in relation to any Person (the **"first Person"**) at any particular time, any other Person (the **"second Person"**):

- (i) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

"Swap Rate Period" has the meaning given in the relevant Final Terms;

"Talon" means a talon for further Coupons;

"TARGET2" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

"TARGET Settlement Day" means any day on which TARGET2 is open for the settlement of payments in euro;

"Taxes" has the meaning given in Condition 14 (*Taxation*);

"Tier 1 Capital" means capital which is treated as issued Tier 1 Capital under the Relevant Rules;

"Tier 2 Capital" means capital which is treated as issued Tier 2 Capital under the Relevant Rules;

"Ultimate Solvency II Regulated Entity" means the Issuer or, from time to time, the highest level parent company of the Issuer which is regulated under Solvency II on a consolidated basis. At 3 April 2020 the Ultimate Solvency II Regulated Entity was the Issuer;

"United States Treasury Securities" means securities that are direct obligations of the United States Treasury, issued other than on a discount rate basis;

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

"VPS" means the Norwegian Central Securities Depository Verdipapirsentralen ASA of Fred Olsens gate 1, 0152 Oslo, Norway;

"VPS Agent" means the entity acting as agent of the Issuer in respect of all dealings with the VPS in respect of VPS Notes as detailed in a VPS agency agreement (the **"VPS Agency Agreement"**);

"VPS Noteholder" has the definition ascribed to it in Condition 3(k) (*Form, Denomination, Title and Transfer - Specific provisions for VPS Notes*);

"VPS Notes" means notes issued through VPS; and

"VPS Trustee" means the entity Nordic Trustee ASA (formerly known as Norsk Tillitsmann ASA), which might be appointed to act for the benefit of the holders for the time being of the VPS Notes in accordance with the provisions of a VPS trustee agreement (the **"VPS Trustee Agreement"**) and these Terms and Conditions.

- (b) *Interpretation:* In these Conditions:

- (i) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (ii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iii) any reference to principal shall be deemed to include the Redemption Amount, any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (iv) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 14 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (v) references to Notes being "outstanding" shall be construed in accordance with the Agency Agreement;
- (vi) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes; and
- (vii) any reference to the Agency Agreement shall be construed as a reference to the Agency Agreement as amended and/or supplemented up to and including the Issue Date of the Notes.

3. **Form, Denomination, Title and Transfer**

- (a) *Bearer Notes:* Bearer Notes are in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.
- (b) *Title to Bearer Notes:* Title to Bearer Notes and the Coupons will pass by delivery. In the case of Bearer Notes, "**Holder**" means the holder of such Bearer Note and "**Noteholder**" and "**Couponholder**" shall be construed accordingly.
- (c) *Registered Notes:* Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the relevant Final Terms and higher integral multiples of a smaller amount specified in the relevant Final Terms.
- (d) *Title to Registered Notes:* The Registrar will maintain the register in accordance with the provisions of the Agency Agreement. A certificate (each, a "**Note Certificate**") will be issued to each Holder of Registered Notes in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register. In the case of Registered Notes, "**Holder**" means the person in whose name such Registered Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly.
- (e) *Ownership:* The Holder of any Note or Coupon shall (except as otherwise required by law) 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 other interest therein, any writing thereon or, in the case of Registered Notes, on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.
- (f) *Transfers of Registered Notes:* Subject to paragraphs (i) (*Closed periods*) and (j) (*Regulations concerning transfers and registration*) below, a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor

and the authority of the individuals who have executed the form of transfer; **provided, however, that** a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a Holder are being transferred) the principal amount of the balance of Registered Notes not transferred are Specified Denominations. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.

- (g) *Registration and delivery of Note Certificates:* Within five business days of the surrender of a Note Certificate in accordance with paragraph (f) (*Transfers of Registered Notes*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, "**business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.
- (h) *No charge:* The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.
- (i) *Closed periods:* Noteholders may not, in respect of the Registered Notes, require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest or during the period following delivery of a notice of a voluntary payment of Arrears of Interest in accordance with Condition 9(c)(ii) and Condition 21 (*Notices*) and ending on the date referred to in such notice as having been fixed for such payment of Arrears of Interest.
- (j) *Regulations concerning transfers and registration:* All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.
- (k) *Specific provisions for VPS Notes:* Each tranche of VPS Notes will be created and held in uncertificated book entry form in accounts with the VPS. VPS Notes will not be evidenced by any physical note or document of title other than a statement of account made by the VPS. Ownership of VPS Notes will be recorded and transfer effected only through the book entry system and register maintained by the VPS. The holder of a VPS Note (a "**VPS Noteholder**") will be the person evidenced as such by a book entry in the records of the VPS. The Issuer and the VPS Trustee may rely on a certificate of the VPS or one issued on behalf of the VPS by an account-carrying institution as to a particular person being a VPS Noteholder. Title to the VPS Notes will pass by registration in the VPS between the direct and indirect accountholders at the VPS in accordance with the rules and procedures of the VPS that are in force from time to time. Where a nominee is so evidenced, it shall be treated by the Issuer as the holder of the relevant VPS Note. A VPS Agent will act as an agent of the Issuer in respect of all dealings with the VPS in respect of VPS Notes. A VPS Trustee might be appointed, and will in such a case, act for the benefit of the holders for the time being of the VPS Notes, in accordance with the provisions of the VPS Trustee Agreement and these Terms and Conditions.

4. **Status and Subordination**

- (a) *Status:* The Notes and Coupons constitute direct, unsecured and subordinated obligations of the Issuer, conditional as described below, and (together with any damages awarded for breach of any obligations in respect of the Notes) in the event of the Liquidation of the Issuer rank: (i) junior to Senior Creditors; (ii) *pari passu* without any preference among themselves and among Parity Obligations outstanding from time to time (whether actual or contingent); and (iii) senior to all classes of Junior Obligations.

- (b) *Subordination:* The right to payment in respect of the Notes and Coupons is subordinated in the event of the Liquidation of the Issuer and (except in the event of the Liquidation of the Issuer) all payments of principal and interest by the Issuer in respect of the Notes and Coupons are conditional upon the Issuer being Solvent at the time of payment and immediately thereafter (the "**Solvency Condition**") and (except as aforesaid) no principal or interest shall be payable in respect of the Notes or the Coupons except to the extent that the Issuer could make such payment in whole or in part, rateably with the payments in respect of Parity Obligations, and still be Solvent immediately thereafter.

The payment of interest on the Notes is also subject to the provisions of Condition 9(a) (*Optional Deferral of Interest*) and Condition 9(b) (*Mandatory Deferral of Interest*) and the payment of principal on the Notes is also subject to the provisions of Condition 10(b) (*Issuer suspension of redemption date*).

- (c) *No Set-off:* No Holders of Notes or Coupons who shall be indebted to the Issuer shall be entitled to exercise any right of set-off or counterclaim against moneys owed to the Issuer in respect of such indebtedness.

5. **Fixed Rate Note Provisions**

- (a) *Application:* This Condition 5 is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest which shall (subject to Condition 9 (*Deferral of Payments*) and the Solvency Condition being satisfied) be payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments - Bearer Notes*) and Condition 12 (*Payments - Registered Notes*), as applicable. Each Note will cease to bear interest from the due date for final redemption (which due date shall, in the case of suspension of a redemption date in accordance with Condition 10(b) (*Issuer suspension of redemption date*), be the latest date to which redemption of the Notes is so suspended) unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 5 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Fixed Coupon Amount:* The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.
- (d) *Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

6. **Fixed Rate Reset Note Provisions**

- (a) *Application:* This Condition 6 is applicable to the Notes only if the Fixed Rate Reset Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest:
- (i) from (and including) the Interest Commencement Date until (but excluding) the First Reset Note Reset Date at the Initial Rate of Interest;

- (ii) from (and including) the First Reset Note Reset Date until (but excluding) the first Anniversary Date at the First Reset Rate of Interest; and
- (iii) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest,

and such interest shall be (subject to Condition 9 (*Deferral of Payments*) and the Solvency Condition being satisfied) payable, in each case, in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments - Bearer Notes*) and Condition 12 (*Payments - Registered Notes*), as applicable. Each Note will cease to bear interest from the due date for final redemption (which due date shall, in the case of suspension of a redemption date in accordance with Condition 10(b) (*Issuer suspension of redemption date*), be the latest date to which redemption of the Notes is so suspended) unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

- (c) *Fixed Coupon Amount:* The amount of interest payable in respect of each Note from (and including) the Interest Commencement Date until (but excluding) the First Reset Note Reset Date shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.
- (d) *Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified will be calculated by applying the Rate of Interest for such period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each such Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (e) *Publication, notifications etc:* The provisions of Conditions 7(g) (*Publications*) and 7(h) (*Notices etc*) shall apply to the Notes.

7. **Floating Rate Note Provisions**

- (a) *Application:* This Condition 7 is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest which shall (subject to Condition 9 (*Deferral of Payments*) and the Solvency Condition being satisfied) be payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments - Bearer Notes*) and Condition 12 (*Payments - Registered Notes*), as applicable. Each Note will cease to bear interest from the due date for final redemption (which due date shall, in the case of suspension of a redemption date in accordance with Condition 10(b) (*Issuer suspension of redemption date*), be the latest date to which redemption of the Notes is so suspended) unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) *Screen Rate Determination:* If 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, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (ii) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant 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 which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:
 - (A) one rate shall be determined as if the relevant Interest Period 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 relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period; **provided, however, that** if no rate is available for a period of time next shorter 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;
- (iii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iv) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
 - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
 - (B) determine the arithmetic mean of such quotations; and
- (v) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

(d) *ISDA Determination:* If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "ISDA Rate" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the

ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
- (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms;
- (iii) the relevant Reset Date (as defined in the ISDA Definitions) is the day as specified in the relevant Final Terms; and
- (iv) if Linear Interpolation is specified as applicable in respect of an Interest Period in the relevant 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 Floating Rate Option, 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.

- (e) *Maximum or Minimum Rate of Interest:* If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

In setting a Maximum Rate of Interest or a Minimum Rate of Interest, the Issuer shall have consideration to the limitations set out in any Relevant Rules.

- (f) *Calculation of Interest Amount:* The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (g) *Publication:* The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and, in the case of the VPS Notes, the VPS and the VPS Agent, as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant 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.

- (h) *Notifications etc.*: All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7 by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

8. **Benchmark Discontinuation**

- (a) *Application*: Notwithstanding the provisions above in Conditions 6 (*Fixed Rate Reset Note Provisions*) and 7 (*Floating Rate Note Provisions*), if a Benchmark Event occurs in relation to an Original Reference Rate at any time when these Conditions provide for any remaining Rate of Interest (or any component part(s) thereof) to be determined by reference to such Original Reference Rate, then the following provisions shall apply.
- (b) *Independent Adviser*: The Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 8(c) (*Successor Rate or Alternative Rate*)) and, in either case, an Adjustment Spread if any (in accordance with Condition 8(d) (*Adjustment Spread*)) and any Benchmark Amendments (in accordance with Condition 8(e) (*Benchmark Amendments*)).

An Independent Adviser appointed pursuant to this Condition 8 shall act in good faith and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Paying Agents, the Calculation Agent, any other party specified in the relevant Final Terms as being responsible for calculating the Rate of Interest or the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with to the operation of this Condition 8.

- (c) *Successor Rate or Alternative Rate*: If the Issuer, following consultation with the Independent Adviser and acting in good faith determines that:
 - (i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 8(d) (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 8); or
 - (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 8(d) (*Adjustment Spread*)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 8).
- (d) *Adjustment Spread*: If the Issuer, following consultation with the Independent Adviser and acting in good faith determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a relevant component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).
- (e) *Benchmark Amendments*: If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 8 and the Issuer, following consultation with the Independent Adviser and acting in good faith determines (i) that amendments to these Conditions (including without limitation, amendments to the definitions of Day Count Fraction, Business Day, Relevant Screen Page, Interest Determination Date, Reset Determination Date, Relevant Time, Relevant Financial Centre, Reference Banks, Principal Financial Centre, Business Day Convention

or Additional Business Centre) 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, and subject to the Issuer giving notice thereof in accordance with Condition 8(f) (*Notices, etc.*), without any requirement for the consent or approval of Noteholders or Couponholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 8(e), the Issuer shall comply with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading.

- (f) *Notices, etc.*: The Issuer shall notify the Paying Agents and the Calculation Agent or any other party specified in the relevant Final Terms as being responsible for calculating the Rate of Interest and, in accordance with Condition 21 (*Notices*), the Noteholders and the Couponholders promptly of any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 8. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such notice will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any)) be binding on the Issuer, the Paying Agents, the Calculation Agent, any other party specified in the relevant Final Terms as being responsible for calculating the Rate of Interest, the Noteholders and the Couponholders.

- (g) *Survival of Original Reference Rate*: Without prejudice to the obligations of the Issuer under the provisions of this Condition 8, the Original Reference Rate and the fallback provisions provided for in the definitions of Reset Reference Bank Rate and Benchmark Gilt Rate and in Condition 7(c) (*Screen Rate Determination*) will continue to apply unless and until a Benchmark Event has occurred and only then once the Paying Agents and Calculation Agent or such other party specified in the relevant Final Terms, as applicable, have been notified of the Successor Rate or Alternative Rate (as the case may be) and any Adjustment Spread (if applicable) and Benchmark Amendments (if applicable) in accordance with Condition 8(e) (*Benchmark Amendments*).

- (h) *Fallbacks*: If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the relevant Interest Determination Date or Reset Determination Date, the Issuer is unable to appoint an Independent Advisor or no Successor Rate or Alternative Rate (as applicable) is determined pursuant to this Condition 8 by such Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall (a) in the case of Notes in respect of which the Floating Rate Note Provisions apply, be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period and (b) otherwise be determined in accordance with the definitions of Benchmark Gilt Rate and/or Reset Reference Bank Rate (as the case may be) (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period).

For the avoidance of doubt, this Condition 8 shall apply to the determination of the Rate of Interest on the relevant Interest Determination Date only, and the Rate of Interest applicable to any subsequent Interest Period(s) is subject to the subsequent operation of, and to adjustment as provided in, this Condition 8.

- (i) *Capital Disqualification Event*: Notwithstanding any other provision in this Condition 8, no Successor Rate, Alternative Rate or Adjustment Spread (as applicable) will be adopted, and no other amendments to the Conditions will be made pursuant to this Condition 8, if, and to the extent that, in the determination of the Issuer, the same could reasonably be expected to lead to a disqualification of the Notes from Tier 2 Capital.
- (j) *Definitions*: In this Condition 8:

"Adjustment Spread" means either a spread (which may be positive or negative), or the quantum of the formula or methodology for calculating a spread, in either case, which the Issuer, following consultation with the Independent Adviser and acting in good faith determines should be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders or Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, quantum formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (ii) in the case of an Alternative Rate or (where (i) above does not apply) in the case of a Successor Rate, the Issuer, following consultation with the Independent Adviser and acting in good faith determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (iii) (if the Issuer determines that (i) above does not apply and no such spread, quantum formula or methodology is recognised or acknowledged as being customary market usage as referred to in (ii) above) the Issuer, in its discretion, following consultation with the Independent Adviser and acting in good faith determines to be appropriate;

"Alternative Rate" means an alternative benchmark or screen rate which the Issuer, following consultation with the Independent Adviser and acting in good faith determines in accordance with Condition 8(c) (*Successor Rate or Alternative Rate*) has replaced the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) or if no such rate exists, the rate which is most comparable to the Original Reference Rate, for a comparable interest period and in the same Specified Currency as the Notes;

"Benchmark Amendments" has the meaning given to it in Condition 8(e) (*Benchmark Amendments*);

"Benchmark Event" means:

- (i) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to be calculated, administered or published;
- (ii) the later of (A) the making of a public statement by the administrator of the Original Reference Rate that it will, on or before a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (B) the date falling six months prior to the specified date referred to in (ii)(A) above;
- (iii) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued;
- (iv) the later of (A) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate will, on or before a specified date, be permanently or indefinitely discontinued and (B) the date falling six months prior to the specified date referred to in (iv)(A) above;
- (v) the later of (A) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that means the Original Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case on or before a specified date and (B) the date falling six months prior to the specified date referred to in (v)(A) above;

- (vi) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative of an underlying market; or
- (vii) it has become unlawful for any Paying Agent, the Calculation Agent or such other party as specified in the relevant Final Terms to calculate any payments due to be made to any Noteholder or Couponholder using the Original Reference Rate including, without limitation, under the Benchmark Regulation (EU) 2016/1011, if applicable;

"Independent Adviser" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 8 (*Benchmark Discontinuation*) at its own expense;

"Original Reference Rate" means the originally-specified benchmark or screen rate (as applicable) used to determine the relevant Rate of Interest (or any component part thereof) on the Notes;

"Relevant Nominating Body" means, in respect of the Original Reference Rate:

- (i) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the Original Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate; or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the Original Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the Original Reference Rate, (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 Original Reference Rate which is formally recommended by any Relevant Nominating Body.

9. **Deferral of Payments**

- (a) *Optional Deferral of Interest:* If Optional Interest Deferral is specified in the relevant Final Terms as being applicable, without prejudice to Condition 9(b) (*Mandatory Deferral of Interest*), on any Optional Interest Payment Date, the Issuer may in the manner described in Condition 9(d) (*Notification in respect of Interest Payments*) elect to defer payment of all (but not some only) of the interest in respect of the Notes accrued in the Interest Period ending on the day immediately preceding such date. If the Issuer so elects, it shall not have any obligation to make such Interest Payment and any failure to pay shall not constitute a default by the Issuer for any purpose and will not give Noteholders any right to accelerate repayment of the Notes.
- (b) *Mandatory Deferral of Interest:*
 - (i) Subject to Condition 9(b)(ii) below, Interest Payments by the Issuer will be mandatorily deferred on each Mandatory Interest Deferral Date. The deferral of any payment of interest on a Mandatory Interest Deferral Date in accordance with this Condition 9(b) or in accordance with Condition 4(b) (*Subordination*) shall not constitute a default by the Issuer for any purpose and will not give Noteholders any right to accelerate repayment of the Notes.
 - (ii) Notwithstanding that an Interest Payment Date may be a Mandatory Interest Deferral Date, Interest Payments (or part thereof) may still be paid on such Interest Payment Date to the extent that:
 - (A) the Issuer Supervisor has exceptionally waived the deferral of such Interest Payments or part thereof;

- (B) payment of such Interest Payments (or part thereof) does not further weaken the solvency position of the Issuer; and
 - (C) the Minimum Capital Requirement is complied with immediately after such Interest Payments are made.
- (iii) At the same time as notifying the Fiscal Agent, (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable), and the Noteholders of a Mandatory Interest Deferral Date in accordance with Condition 9(d) (*Notification in respect of Interest Payments*), the Issuer shall send to the Fiscal Agent, and in the case of VPS Notes to the VPS Agent and the VPS Trustee (if applicable), and make available to Noteholders, a certificate signed by two Authorised Signatories of the Issuer confirming that the relevant Interest Payment Date is a Mandatory Interest Deferral Date. Any such certificate shall, in the absence of manifest error, be treated and accepted by the Fiscal Agent, (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable), the Noteholders and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent and (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable), shall be entitled to rely on such certificate without liability to any person.
- (c) *Arrears of Interest:*
- (i) Any interest in respect of the Notes not paid on an Interest Payment Date as a result of the exercise by the Issuer of its discretion to defer such Interest Payments pursuant to Condition 9(a) (*Optional Deferral of Interest*), the obligation of the Issuer to defer such Interest Payments pursuant to Condition 9(b) (*Mandatory Deferral of Interest*) and/or any interest not paid due to the Solvency Condition not being satisfied, shall, to the extent and so long as the same remains unpaid, constitute "**Arrears of Interest**". Arrears of Interest shall not themselves bear interest.
 - (ii) Arrears of Interest may (subject to the Solvency Condition being satisfied and to receiving the prior approval of the Issuer Supervisor (if required) and provided that the intended date of such payment is not a Mandatory Interest Deferral Date), at the option of the Issuer, be paid in whole or in part at any time upon the expiry of not less than five (5) days' notice to such effect given by the Issuer to the Fiscal Agent, (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable) and the Noteholders in accordance with Condition 21 (*Notices*) and in any event become due and payable by the Issuer (subject, in the case of paragraphs (A) and (C) below, to the Solvency Condition being satisfied, and to receiving the prior approval of the Issuer Supervisor (if required)) in full (and not in part) on the earliest of:
 - (A) the date on which the Notes are to be redeemed or purchased pursuant to any provision of Condition 10 (*Redemption, Purchase, Substitution and Variation*) (subject to any suspension of such redemption date pursuant to Condition 10(b) (*Issuer suspension of redemption date*)); or
 - (B) the date on which a decree or order being made by a court or agency or supervisory authority having jurisdiction in respect of the same for the Liquidation of the Issuer or a resolution being passed for the Liquidation of the Issuer; or
 - (C) the next Interest Payment Date which is a Compulsory Interest Payment Date.

Arrears of Interest shall not be due solely by virtue of any payment on any Parity Obligations the terms of which do not allow the issuer of the relevant securities to defer, pass on or eliminate the relevant payment.
- (d) *Notification in respect of Interest Payments:* The Issuer shall give to the Fiscal Agent, (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable) and the Noteholders in accordance with Condition 21 (*Notices*) not less than five (5) Business Days' nor more than fourteen (14) Business Days' prior notice:

- (i) of (subject as provided below) any Optional Interest Payment Date on which, pursuant to the provisions of Condition 9(a) (*Optional Deferral of Interest*) above, the Issuer will not pay any Interest Payments in respect of the Notes;
- (ii) of any Mandatory Interest Deferral Date, provided that if the conditions to the relevant Interest Payment Date being a Mandatory Interest Deferral Date are satisfied less than five (5) Business Days prior to an Interest Payment Date, the Issuer shall give notice of the interest deferral in accordance with Condition 21 (*Notices*) as soon as reasonably practicable following the occurrence of such event;
- (iii) if any payment of interest will not become due on any Interest Payment Date as a result of a failure to satisfy the Solvency Condition, provided that if the circumstances resulting in non-satisfaction of the Solvency Condition occur, or are determined to have occurred, less than five (5) Business Days prior to an Interest Payment Date, the Issuer shall give notice of the interest deferral in accordance with Condition 21 (*Notices*) as soon as reasonably practicable following the occurrence of such event (and in either case shall specify that interest will not be paid as a result of non-satisfaction of the Solvency Condition); and
- (iv) of any date upon which, pursuant to the provisions of Condition 9(c)(ii) above, amounts in respect of Arrears of Interest shall become due and payable,

but provided that failure to make such notification shall not (in the case of (ii) and (iii) above) oblige the Issuer to make a payment of such Interest, or cause the same to become due and payable, on such date, or (in the case of (iv) above) invalidate the obligation of the Issuer to make a payment of such Arrears of Interest on such date.

- (c) *Partial Payment of Arrears of Interest:* If amounts in respect of Arrears of Interest become partially payable:
 - (i) Arrears of Interest accrued for any period shall not be payable until full payment has been made of all Arrears of Interest that have accrued during any earlier period; and
 - (ii) the amount of Arrears of Interest payable in respect of any Note in respect of any period shall be made *pro rata* to the total amount of all unpaid Arrears of Interest accrued in respect of that period.

10. **Redemption, Purchase, Substitution and Variation**

- (a) *Scheduled redemption:* Subject to Conditions 10(b) (*Issuer suspension of redemption date*) and 10(j) (*Preconditions to redemption, purchases, variation and substitution*), satisfaction of the Solvency Condition and to receiving the prior approval of the Issuer Supervisor (if required), unless previously redeemed, or purchased and cancelled, if a Maturity Date is specified in the relevant Final Terms, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date together with any Arrears of Interest and any other accrued and unpaid interest to (but excluding) the Maturity Date, subject as provided in Condition 11 (*Payments - Bearer Notes*), Condition 12 (*Payments - Registered Notes*) and Condition 13 (*Payments - VPS Notes*).
- (b) *Issuer suspension of redemption date:*
 - (i) Subject to Condition 10(b)(ii) below, no Notes shall be redeemed on the Maturity Date (if any) pursuant to Condition 10(a) (*Scheduled redemption*) or prior to the Maturity Date (if any) pursuant to Conditions 10(c) (*Taxation reasons redemption, variation or substitution*), 10(d) (*Redemption at the option of the Issuer*), 10(e) (*Capital Disqualification Event redemption, variation or substitution*), 10(f) (*Rating Agency Event redemption, variation or substitution*) or 10(g) (*Clean-up call*) if the date set for redemption is a Mandatory Redemption Suspension Date and redemption shall be suspended in accordance with the provisions of this Condition 10(b). For the avoidance of doubt, any failure to pay principal as a result of any such suspension pursuant to this paragraph (i) or Condition 4(b) (*Subordination*) shall not constitute a default by the Issuer for any purpose and will not give Noteholders any right to accelerate repayment of the Notes or take any other action under the Notes. Nothing in this paragraph (i) shall be

construed to permit the Issuer to defer any principal otherwise due and payable except under the circumstances specified in this paragraph (i) and Condition 4(b) (*Subordination*).

- (ii) Notwithstanding that the date set for redemption may be a Mandatory Redemption Suspension Date, the Notes may be redeemed and the relevant redemption amount may still be paid to the extent:
 - (A) the Issuer Supervisor has exceptionally waived the suspension of redemption of the Notes;
 - (B) the Notes are exchanged for or converted into other Tier 1 Capital or Tier 2 Capital of at least the same quality; and
 - (C) the Minimum Capital Requirement is complied with immediately after redemption of the Notes.
- (iii) The Issuer shall notify the Fiscal Agent, (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable), and the Noteholders in accordance with Condition 21 (*Notices*) no later than five (5) Business Days prior to any date set for redemption of the Notes if such redemption is to be suspended in accordance with either paragraph (i) above or non-satisfaction of the Solvency Condition, provided that if the relevant circumstance requiring redemption to be suspended arises, or is determined, less than five (5) Business Days prior to the date set for redemption, the Issuer shall give notice of such suspension in accordance with Condition 21 (*Notices*) as soon as reasonably practicable following the occurrence of such event *but provided that* failure to make such notification shall not oblige the Issuer to redeem the Notes on such date.
- (iv) If redemption of the Notes does not occur on the Maturity Date (if any) or, as appropriate, the date specified in the notice of redemption by the Issuer under Conditions 10(c) (*Taxation reasons redemption, variation or substitution*), 10(d) (*Redemption at the option of the Issuer*), 10(e) (*Capital Disqualification Event redemption, variation or substitution*), 10(f) (*Rating Agency Event redemption, variation or substitution*) or 10(g) (*Clean-up call*) as a result of paragraph (i) above, the Issuer shall (subject, in the case of sub-paragraphs (A) and (B) below only, to the Solvency Condition being satisfied and to receiving the prior approval of the Issuer Supervisor (if required)) redeem such Notes at their Final Redemption Amount or, as applicable, the relevant Early Redemption Amount, Optional Redemption Amount or Residual Early Redemption Amount as specified pursuant to Conditions 10(c) (*Taxation reasons redemption, variation or substitution*), 10(d) (*Redemption at the option of the Issuer*), 10(e) (*Capital Disqualification Event redemption, variation or substitution*), 10(f) (*Rating Agency Event redemption, variation or substitution*) or 10(g) (*Clean-up call*) (as the case may be) together with any Arrears of Interest and any other accrued and unpaid interest, upon the earliest of:
 - (A) the date falling ten (10) Business Days after the first date which immediately follows the date set for redemption and which is not a Mandatory Redemption Suspension Date (with, for the purposes of such definition, the relevant date being deemed to be a date on which the Notes would otherwise be redeemed pursuant to this Condition 10) (unless such 10th Business Day is itself a Mandatory Redemption Suspension Date, in which case the provisions of paragraph (i) above and this paragraph (iv) will apply *mutatis mutandis* to determine the due date for redemption of the Notes); or
 - (B) the date falling ten (10) Business Days after the Issuer Supervisor has agreed to the repayment or redemption of the Notes; or
 - (C) the date on which order for the Liquidation of the Issuer is made,

and the Issuer shall give notice of such redemption to the Fiscal Agent, (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable), and the Noteholders in accordance with Condition 21 (*Notices*) as soon as reasonably practicable following the occurrence of the relevant event triggering such redemption.

- (v) If paragraph (i) above does not apply, but redemption of the Notes does not occur on the Maturity Date (if any) or, as appropriate, the date specified in the notice of redemption by the Issuer under Conditions 10(c) (*Taxation reasons redemption, variation or substitution*), 10(d) (*Redemption at the option of the Issuer*), 10(e) (*Capital Disqualification Event redemption, variation or substitution*), 10(f) (*Rating Agency Event redemption, variation or substitution*) or 10(g) (*Clean-up call*) as a result of the Solvency Condition not being met at the time and immediately after such payment, subject to receiving the prior approval of the Issuer Supervisor (if required), such Notes shall be redeemed at their Final Redemption Amount or, as applicable, the relevant Early Redemption Amount, Optional Redemption Amount or Residual Early Redemption Amount as specified pursuant to Conditions 10(c) (*Taxation reasons redemption, variation or substitution*), 10(d) (*Redemption at the option of the Issuer*), 10(e) (*Capital Disqualification Event redemption, variation or substitution*), 10(f) (*Rating Agency Event redemption, variation or substitution*) or 10(g) (*Clean-up call*) (as the case may be) together with any Arrears of Interest and any other accrued and unpaid interest on the 10th Business Day immediately following the day that (A) the Issuer is Solvent and (B) the redemption of the Notes would not result in the Issuer ceasing to be Solvent, provided that if such Business Day specified for redemption is a Mandatory Redemption Suspension Date, then the Notes shall not be redeemed on such date and paragraph (iv) above shall apply *mutatis mutandis* to determine the due date for redemption of the Notes.

At the same time as delivering any notice to the Fiscal Agent, (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable), and the Noteholders pursuant to this Condition 10(b), the Issuer shall send to the Fiscal Agent, and in the case of VPS Notes to the VPS Agent and the VPS Trustee (if applicable), and make available to Noteholders, a certificate signed by two Authorised Signatories of the Issuer confirming (i) that the relevant date set for redemption is or is not (as applicable) a Mandatory Redemption Suspension Date, (ii) the satisfaction or otherwise of the Solvency Condition, and (iii) (if required) that the Issuer has received the prior approval of the Issuer Supervisor. Any such certificate shall, in the absence of manifest error, be treated and accepted by the Issuer, the Fiscal Agent, (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable), the Noteholders and all other interested parties as correct and sufficient evidence thereof, shall be binding on all such persons and the Fiscal Agent and (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable) shall be entitled to rely on such certificate without liability to any person.

- (c) *Taxation reasons redemption, variation or substitution*: If as a result of:
- (i) any amendment to, clarification of or change (including any announced prospective change) in the laws or treaties (or regulations thereunder) of the Relevant Jurisdiction affecting taxation;
 - (ii) any governmental action; or
 - (iii) any amendment to, clarification of or change in the official position or the interpretation of any such governmental action or pronouncement,

in each case, by any legislative body, court, governmental authority or regulatory body, irrespective of the manner in which such amendment, clarification or change is made known, which amendment, clarification or change is effective or such pronouncement or decision is announced on or after the Issue Date of the last Tranche of the Notes of the relevant Series, there is, more than an insubstantial risk that:

- (A) the Issuer is, or will be, subject to more than a *de minimis* amount of other taxes, duties or other governmental charges or civil liabilities with respect to the Notes;
- (B) the treatment of any of the Issuer's items of income or expense with respect to the Notes as reflected on the tax returns (including estimated returns) filed (or to be filed) by the Issuer will not be respected by a taxing authority, which subjects the Issuer to more than a *de minimis* amount of additional taxes, duties or other governmental charges; or

- (C) the Issuer would be required to pay additional amounts, as provided or referred to in Condition 14 (*Taxation*),

the Issuer may at its option (subject to Conditions 10(b) (*Issuer suspension of redemption date*) and 10(j) (*Preconditions to redemption, purchases, variation and substitution*), satisfaction of the Solvency Condition and the Issuer having received the prior approval of the Issuer Supervisor (if required)), at any time (if the Floating Rate Note Provisions are not specified in the relevant Final Terms as being applicable) or on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable), having given not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms to the Noteholders in accordance with Condition 21 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption),

- (I) redeem all (but not some only) of the Notes at their Early Redemption Amount, together with any accrued interest and Arrears of Interest; or

- (II) substitute all (but not some only) of the Notes for, or vary the terms of the Notes, without any requirement for the consent or approval of the Holders, so that they become or remain, Qualifying Tier 2 Securities.

- (d) *Redemption at the option of the Issuer:* If Call Option is specified in the relevant Final Terms as being applicable, the Notes may (subject to Conditions 10(b) (*Issuer suspension of redemption date*) and 10(j) (*Preconditions to redemption, purchases, variation and substitution*), satisfaction of the Solvency Condition and the Issuer having received the prior approval of the Issuer Supervisor (if required)) be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date at the relevant Optional Redemption Amount on the Issuer's giving not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms to the Noteholders in accordance with Condition 21 (*Notices*) (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date at the Optional Redemption Amount plus accrued interest (if any) to such date and Arrears of Interest).

- (e) *Capital Disqualification Event redemption, variation or substitution:* If a Capital Disqualification Event has occurred and is continuing, the Issuer may at any time (subject to Conditions 10(b) (*Issuer suspension of redemption date*) and 10(j) (*Preconditions to redemption, purchases, variation and substitution*), satisfaction of the Solvency Condition and the Issuer having received the prior approval of the Issuer Supervisor (if required)), having given not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms to the Noteholders in accordance with Condition 21 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption):

- (i) redeem all (but not some only) of the Notes at their Early Redemption Amount, together with any accrued interest and Arrears of Interest; or

- (ii) substitute all (but not some only) of the Notes for, or vary the terms of the Notes, without any requirement for the consent or approval of the Holders, so that they become or remain, Qualifying Tier 2 Securities.

- (f) *Rating Agency Event redemption, variation or substitution:* If Rating Methodology Call is specified in the relevant Final Terms as being applicable and if a Rating Agency Event has occurred and is continuing, the Issuer may at any time (subject to Conditions 10(b) (*Issuer suspension of redemption date*) and 10(j) (*Preconditions to redemption, purchases, variation and substitution*), satisfaction of the Solvency Condition and receiving the prior consent of the Issuer Supervisor (if required)), having given not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms to the Noteholders in accordance with Condition 21 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption):

- (i) redeem all (but not some only) of the Notes at their Early Redemption Amount, together with any accrued interest and Arrears of Interest; or

- (ii) substitute all (but not some only) of the Notes for, or vary the terms of the Notes, without any requirement for the consent or approval of the Holders, so that they become or remain, Qualifying Tier 2 Securities.
- (g) *Clean-up call*: If Issuer Residual Call is specified in the relevant Final Terms as being applicable and if at any time 80 per cent. or more of the aggregate principal amount of any Series of Notes (including, for these purposes, any further securities issued pursuant to Condition 20 (*Further Issues*)) has been purchased by the Issuer or any of its Subsidiaries and cancelled pursuant to these Conditions (the "**Clean-Up Event**"), then the Issuer may (subject to Conditions 10(b) (*Issuer suspension of redemption date*) and 10(j) (*Preconditions to redemption, purchases, variation and substitution*)), satisfaction of the Solvency Condition and receiving the prior consent of the Issuer Supervisor (if required)), having given not less than the minimum period nor more than the maximum period of notice specified in the relevant Final Terms to the Noteholders in accordance with Condition 21 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption) redeem all (but not some only) of the Notes of the relevant Series at their Residual Early Redemption Amount, together with any accrued interest and Arrears of Interest.
- (h) *Partial redemption*: If the Notes are to be redeemed in part only on any date in accordance with Condition 10(d) (*Redemption and Purchase - Redemption at the option of the Issuer*), in the case of Bearer Notes or VPS Notes, the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and, the rules of the VPS, in case of VPS Notes and the notice to Noteholders referred to in Condition 10(d) (*Redemption and Purchase - Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed, and, in the case of Registered Notes, each Note shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Notes to be redeemed on the relevant Optional Redemption Date bears to the aggregate principal amount of outstanding Notes on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount shall in no event be greater than the maximum or be less than the minimum so specified.
- (i) *No other redemption*: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) and (c) to (g) above.
- (j) *Preconditions to redemption, purchases, variation and substitution*:
 - (i) To the extent then required by the Relevant Rules, in the case of a purchase or redemption pursuant to Conditions 10(c) (*Taxation reasons redemption, variation or substitution*), 10(e) (*Capital Disqualification Event redemption, variation or substitution*), 10(f) (*Rating Agency Event redemption, variation or substitution*) or 10(g) (*Clean-up call*) that is within five years of the Issue Date of the last Tranche of the Notes of the relevant Series, either:
 - (A) such redemption or purchase being funded out of the proceeds of a new issuance of capital of at least the same quality as the Notes, or
 - (B) in the case of any redemption pursuant to Conditions 10(c) (*Taxation reasons redemption, variation or substitution*) or 10(e) (*Capital Disqualification Event redemption, variation or substitution*) only, the Issuer Supervisor being satisfied that the Solvency Capital Requirement of the Issuer and the Solvency II Group on a solo, group and consolidated basis (as applicable) is exceeded by an appropriate margin immediately after such redemption or purchase (taking into account the solvency position of the Issuer and the Solvency II Group, including by reference to the Issuer's and the Solvency II Group's medium-term capital management plan), and:
 - (1) in the case of any such redemption pursuant to Condition 10(c) (*Taxation reasons redemption, variation or substitution*), the Issuer having demonstrated to the satisfaction of the Issuer Supervisor that the applicable change in tax treatment is material and was not reasonably

foreseeable as at the Issue Date of the last Tranche of the Notes of the relevant Series; or

- (2) in the case of any such redemption pursuant to Condition 10(e) (*Capital Disqualification Event redemption, variation or substitution*), the Issuer Supervisor considering that the relevant change in the regulatory classification of the Notes was sufficiently certain and the Issuer having demonstrated to the satisfaction of the Issuer Supervisor that such change was not reasonably foreseeable as at the Issue Date of the last Tranche of the Notes of the relevant Series,

and in each case as being otherwise permitted under the Relevant Rules.

- (ii) Prior to the publication of any notice of redemption before the Maturity Date (if any) or any purchase, variation or substitution of the Notes, provided that no Regulatory Deficiency Redemption Suspension Event has occurred or is continuing, the Issuer will be required to be in continued compliance with paragraph (i) above (as the case may be) and with the Relevant Rules and on the same date as publishing any notice of redemption before the Maturity Date (if any) or making any purchase, variation or substitution of the Notes the Issuer shall deliver to the Fiscal Agent, and in the case of VPS Notes to the VPS Agent and the VPS Trustee (if applicable), and make available to the Noteholders, a certificate from two Authorised Signatories of the Issuer confirming such compliance. Any such certificate shall be conclusive evidence of such compliance (it being declared that the Fiscal Agent and (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable) may rely absolutely on such certification without liability to any person).
- (iii) Prior to the publication of any notice of redemption, variation or substitution pursuant to Conditions 10(c) (*Taxation reasons redemption, variation or substitution*), 10(d) (*Redemption at the option of the Issuer*), 10(e) (*Capital Disqualification Event redemption, variation or substitution*), 10(f) (*Rating Agency Event redemption, variation or substitution*) or 10(g) (*Clean-up call*), the Issuer shall deliver to the Fiscal Agent, and in the case of VPS Notes to the VPS Agent and the VPS Trustee (if applicable), and make available to Noteholders, (A) in the case of a redemption, variation or substitution pursuant to Condition 10(c) (*Taxation reasons redemption, variation or substitution*) a certificate signed by two Authorised Signatories stating that any or all of the requirements referred to in paragraphs (A), (B) or (C) of such Condition will apply on the next Interest Payment Date and cannot be avoided by the Issuer taking reasonable measures available to it, together with an opinion of independent tax counsel of recognised standing to such effect (other than in relation to whether the Issuer may take reasonable measures available to it) and the certificate shall also confirm that (if required) the Issuer has received the prior approval of the Issuer Supervisor and the Fiscal Agent and (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable) shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above; and (B) in the case of a redemption, variation or substitution pursuant to Conditions 10(e) (*Capital Disqualification Event redemption, variation or substitution*), 10(f) (*Rating Agency Event redemption, variation or substitution*) or 10(g) (*Clean-up call*) a certificate signed by two Authorised Signatories stating that a Capital Disqualification Event, a Rating Agency Event or a Clean-Up Event (as applicable) has occurred and is continuing and the certificate shall also confirm that (if required) the Issuer has received the prior approval of the Issuer Supervisor. Any such certificate shall be conclusive and binding on the Fiscal Agent, (in the case of VPS Notes) the VPS Agent and the VPS Trustee (if applicable), the Noteholders and the Couponholders.

Notwithstanding the above conditions, if, at the time of any redemption, substitution, variation or purchase, the prevailing Relevant Rules permit the repayment, substitution, variation or purchase only after compliance with one or more alternative or additional pre-conditions to those set out above in this Condition 10, the Issuer shall comply with such other and/or, as appropriate, additional pre-condition(s).

- (k) *Purchase:* The Issuer or any of its Subsidiaries may (subject to receiving the prior consent of the Issuer Supervisor (if required)), at any time purchase Notes in the open market or otherwise and at

any price, **provided that** all unmatured Coupons are purchased therewith. Any Notes and unmatured Coupons so purchased by the Issuer or any of its Subsidiaries may be held, redeemed, reissued or resold.

- (l) *Cancellation:* All Notes so redeemed pursuant to this Condition 10, or purchased by the Issuer or any of its Subsidiaries pursuant to paragraph (k) above and thereupon redeemed, and any unmatured Coupons attached to or surrendered with them shall be cancelled and, in the case of VPS Notes, deleted from the records of VPS, and may not be reissued or resold.
- (m) *Notice of substitution or variation:* A notice of substitution or variation of the Notes pursuant to Conditions 10(c) (*Taxation reasons redemption, variation or substitution*), 10(e) (*Capital Disqualification Event redemption, variation or substitution*) or 10(f) (*Rating Agency Event redemption, variation or substitution*) shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the Noteholders can inspect or obtain copies of the new terms and conditions of the Qualifying Tier 2 Securities. Such substitution or variation will be effected without any cost or charge to the Noteholders.

11. **Payments - Bearer Notes**

This Condition 11 is only applicable to Bearer Notes.

- (a) *Principal:* Payments of principal shall be made only against presentation and (**provided that** payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.
- (b) *Interest:* Payments of interest shall, subject to paragraph (h) below, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) above.
- (c) *Payments in New York City:* Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.
- (d) *Payments subject to fiscal laws:* All payments in respect of the Bearer Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 14 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) *Deductions for unmatured Coupons:* If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented without all unmatured Coupons relating thereto:
 - (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **provided, however, that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

- (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
 - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; **provided, however, that** where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
 - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **provided, however, that**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and (**provided that** payment is made in full) surrender of the relevant missing Coupons.

- (f) *Unmatured Coupons void*: On the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Conditions 10(c) (*Taxation reasons redemption, variation or substitution*), 10(d) (*Redemption at the option of the Issuer*), 10(e) (*Capital Disqualification Event redemption, variation or substitution*), 10(f) (*Rating Agency Event redemption, variation or substitution*) or 10(g) (*Clean-up call*) or Condition 15 (*Enforcement*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.
- (g) *Payments on business days*: If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the Holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
- (h) *Payments other than in respect of matured Coupons*: Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by paragraph (c) above).
- (i) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
- (j) *Exchange of Talons*: On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 16 (*Prescription*)). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

12. **Payments - Registered Notes**

This Condition 12 is only applicable to Registered Notes.

- (a) *Principal*: Payments of principal shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Fiscal Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other

account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

- (b) *Interest:* Payments of interest shall be made by cheque drawn in the currency in which the payment is due drawn on, or, upon application by a Holder of a Registered Note to the Specified Office of the Fiscal Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London) and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (c) *Payments subject to fiscal laws:* All payments in respect of the Registered Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 14 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders in respect of such payments.
- (d) *Payments on business days:* Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a Payment Business Day or (B) a cheque mailed in accordance with this Condition 12 arriving after the due date for payment or being lost in the mail.
- (e) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.
- (f) *Record date:* Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Registered Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

13. **Payments - VPS Notes**

Payments of principal and interest in respect of VPS Notes will be made to the VPS Noteholders shown in the records of the VPS (i) in accordance with and subject to the rules and regulations from time to time regulating the VPS and (ii) subject to any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

14. **Taxation**

All payments of principal, interest and Arrears of Interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall 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 ("**Taxes**") imposed, levied, collected, withheld or assessed by or on behalf of Finland, or the jurisdiction in which the Issuer is incorporated or tax resident from time to time, or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such Taxes is required by law. In that event, the Issuer shall pay such additional amounts in relation to interest and Arrears of Interest (but not principal) as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them in relation to interest and Arrears of Interest (but not principal) had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon:

- (i) held by or on behalf of a Holder which is liable to such Taxes in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such Taxes have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or
- (ii) held by or on behalf of a Holder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (iii) where the relevant Note or Coupon or Note Certificate is presented or surrendered for payment more than 30 days after the Relevant Date except to the extent that the Holder of such Note or Coupon or Note Certificate would have been entitled to such additional amounts on presenting or surrendering such Note or Coupon or Note Certificate for payment on the last day of such period of 30 days.

15. **Enforcement**

- (a) *No events of default:* There are no events of default.
- (b) *Enforcement by the Noteholders:* Any Noteholder may at any time take such proceedings and/or other action as it may think fit against or in relation to the Issuer to enforce its rights under the Notes or the Coupons (other than in respect of any payment obligation of the Issuer under or arising from the Notes, including any payment of damages awarded for breach of any obligations thereunder) but in no event shall the Issuer, by virtue of the institution of any such proceedings or the taking of such steps or actions, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.
- (c) *Liquidation:* If a Liquidation occurs, any Noteholder may declare such Note to be due and repayable immediately (and such Note shall thereby become so due and repayable) at their outstanding principal amount together with any accrued but unpaid interest, including any Arrears of Interest and payments are subject to the subordination provisions set out in Condition 4(a) (*Status*).

16. **Prescription**

Claims for principal in respect of Bearer Notes shall become void unless the relevant Bearer Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest or Arrears of Interest in respect of Bearer Notes shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date. Claims for principal, interest and Arrears of Interest on redemption in respect of Registered Notes shall become void unless the relevant Note Certificates are surrendered for payment within ten years of the appropriate Relevant Date. VPS Notes will become void unless presented for payment within a period of ten years (in the case of principal) and three years (in the case of interest) after the Relevant Date.

17. **Replacement of Notes and Coupons**

If any Note, Note Certificate or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the

appointment of a Paying Agent or Transfer Agent in any particular place, the Paying Agent or Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Note Certificates or Coupons must be surrendered before replacements will be issued.

18. **Agents**

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. If any additional Agents are appointed in connection with any Series, the names of such Agents will be specified in Part B of the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor fiscal agent or registrar or Calculation Agent and additional or successor paying agents; **provided, however, that:**

- (a) the Issuer shall at all times maintain a fiscal agent and a registrar; and
- (b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and
- (c) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent and/or a Transfer Agent in any particular place, the Issuer shall maintain a Paying Agent and/or a Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given the Noteholders.

19. **Meetings of Noteholders; Modification and Waiver**

- (a) *Meetings of Noteholders:* The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by it upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more Persons holding or representing a clear majority of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, one or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; **provided, however, that** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, not less than a clear majority of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

- (b) *Modification:* The Notes, these Conditions and the Deed of Covenant may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error or if such modification is of a formal, minor or technical nature. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the

Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

The Issuer may, in accordance with Condition 8 (*Benchmark Discontinuation*), vary or amend these Conditions to give effect to certain amendments without any requirement for the consent or approval of Noteholders, as described in Condition 8 (*Benchmark Discontinuation*).

The agreement or approval of the Noteholders shall not be required in the case of any variation of these Conditions required to be made in connection with the substitution or variation of the Notes pursuant to Conditions 10(c) (*Taxation reasons redemption, variation or substitution*), 10(e) (*Capital Disqualification Event redemption, variation or substitution*) or 10(f) (*Rating Agency Event redemption, variation or substitution*).

- (c) *Provisions with respect to holders of VPS Notes:* The VPS Trustee Agreement might contain provisions for convening meetings of the VPS Noteholders to consider any matter affecting their interests, including sanctioning by a majority of two-thirds of votes (as more fully set out in the Agency Agreement) of a modification of the VPS Notes or any of the provisions of the VPS Trustee Agreement or the VPS Trustee Agreement. Such a meeting may be convened by the Issuer, the VPS Trustee, or by VPS Noteholders holding not less than 5 per cent. of the Voting VPS Notes (as defined in the VPS Trustee Agreement). The quorum at any such meeting for passing a resolution requiring a two-thirds voting majority is one or more persons holding at least one half of the Voting VPS Notes or at any adjourned meeting one or more persons being or representing VPS Noteholders whatever the nominal amount of the VPS Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the VPS Notes, the VPS Trustee Agreement or the VPS Agency Agreement (including modifying the date of maturity of the VPS Notes or any date for payment of interest thereof, reducing or cancelling the amount of principal or the rate of interest payable in respect of the VPS Notes or altering the currency of payment of the VPS Notes), the quorum shall be one or more persons holding or representing not less than two-thirds in aggregate nominal amount of the VPS Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in aggregate nominal amount of the VPS Notes for the time being outstanding. A resolution passed at any meeting of the VPS Noteholders shall be binding on all the VPS Noteholders, whether or not they are present at such meeting.
- (d) *Notice to the Issuer Supervisor:* No modification to these Conditions shall become effective unless the Issuer Supervisor approved, granted permission for, consented to, or provided a non-objection to and has not withdrawn its approval, permission or consent to, such modification (in any case only if and to the extent such approval, permission, consent or non-objection is required by the Issuer Supervisor, the Relevant Rules or any other applicable rules of the Issuer Supervisor at the relevant time).

20. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

21. **Notices**

- (a) *Bearer Notes:* Notices to the Holders of Bearer Notes shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed, including publication on the website of the relevant stock exchange or relevant authority if required by those rules. Any such notice shall be deemed to have been given on the date of first 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). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Holders of Bearer Notes.

- (b) *Registered Notes*: Notices to the Holders of Registered Notes shall be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the fourth day after the date of mailing.
- (c) *VPS Notes*: Notices to the VPS Noteholders shall be valid if the relevant notice is given to the VPS for communication by it to the VPS Noteholders. If in the opinion of the VPS Trustee (if applicable) any such publication is not practicable, notice shall be validly given if published in a leading daily English language newspaper (which is expected to be the *Financial Times*) with general circulation in Europe. Any such notice shall be deemed to have been given on the date seven days after delivery to the VPS and/or on the date of such publication in a newspaper or, if published more than once or on different dates, on the date of the first publication as provided above.

22. **Currency Indemnity**

If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

23. **Rounding**

For the purposes of any calculations referred to in these Conditions, (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), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) 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.

24. **Governing Law and Jurisdiction**

- (a) *Governing law*: The Notes (other than the VPS Notes) and any non-contractual obligations arising out of or in connection with the Notes shall be governed by, and shall be construed in accordance with, English law, except for Conditions 4 (*Status and Subordination*), 9(b) (*Mandatory Deferral of Interest*), 10(b) (*Issuer suspension of redemption date*) and 10(e) (*Capital Disqualification Event redemption, variation or substitution*), which shall be governed by, and shall be construed in accordance with, Finnish law.

The VPS Notes and any non-contractual obligations arising out of or in connection with the VPS Notes shall be governed by, and shall be construed in accordance with, the laws of Norway, except for Conditions 4 (*Status and Subordination*), 9(b) (*Mandatory Deferral of Interest*), 10(b) (*Issuer suspension of redemption date*) and 10(e) (*Capital Disqualification Event redemption, variation or substitution*), which shall be governed by, and shall be construed in accordance with, Finnish law.

- (b) *English courts:* The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including a dispute relating to the existence, validity or termination of the Notes or any non-contractual obligation arising out of or in connection with the Notes) or the consequences of their nullity.
- (c) *Appropriate forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) *Rights of the Noteholders to take proceedings outside England:* Notwithstanding Condition 24(b) (*English courts*), any Noteholder may take proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.
- (e) *Norwegian courts:* In addition, the Issuer agrees, for the exclusive benefit of the VPS Trustee, the VPS Agent and the VPS Noteholders that the courts of Norway are to have jurisdiction to settle any disputes which may arise out of, or in connection with, the VPS Trustee Agreement and the VPS Agency Agreement.
- (f) *Service of Process:* The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to If P&C Insurance Company, UK branch at Alpha House, 24a Lime Street, London, EC3M 7HJ, United Kingdom, or to such other person with an address in England or Wales and/or at such other address in England or Wales as the Issuer may specify by notice in writing to the Noteholders. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition 24(f) applies to Proceedings in England and to Proceedings elsewhere.

FORM OF FINAL TERMS FOR SENIOR NOTES

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

[PROHIBITION OF SALES TO EEA AND 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 European Economic Area ("**EEA**") or 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 (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.]

[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, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. *[Consider any negative target market]*. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to 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.]

Final Terms dated []

SAMPO PLC

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

EUR 4,000,000,000 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 Senior Conditions (the "**Conditions**") set forth in the base prospectus dated *[date of the current base prospectus]* [and the supplemental base prospectus[es] dated [] [and []] which [together] constitute[s] a base prospectus] (the "**Base Prospectus**") for the purposes of Regulation (EU) 2017/1129 (as amended or superseded) (the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation. These Final Terms contain the final terms of the Notes and must be read in conjunction with such Base Prospectus in order to obtain all the relevant information.

The Base Prospectus and these Final Terms have been published on www.sampo.com.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Senior Conditions (the "**Conditions**") set forth in the base prospectus dated [] which are incorporated by reference in the base prospectus dated *[date of the current 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 dated *[date of the current base prospectus]* [and the supplemental base prospectus[es] dated [] [and []] in order to obtain all the relevant information which [together] constitute[s] a base prospectus] (the "**Base Prospectus**") for the purposes of Regulation (EU) 2017/1129 (as amended or superseded) (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 these Final Terms have been published on www.sampo.com.]

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: []
3. Aggregate Nominal Amount: []
 - (i) Series: []
 - (ii) Tranche: []
4. Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from []]
5.
 - (i) Specified Denominations: [] [and []] subject to an initial minimum denomination of EUR 100,000 or its equivalent in any other currency
 - (ii) Calculation Amount: []
6.
 - (i) Issue Date: []
 - (ii) Interest Commencement Date: [[] /Issue Date/Not Applicable]
7. Maturity Date: []
8. Interest Basis: [[] per cent. Fixed Rate]
[Reset Rate]
[[Reference Rate] +/- [] per cent. Floating Rate]
[Zero Coupon]
(see paragraph [14/15/16/17] below)
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
10. Change of Interest Basis: [[For the period from (and including) the Interest Commencement Date, up to (but excluding) [] paragraph [14]/[16] applies and for the period from (and including) [] to (but excluding) the Maturity Date, paragraph [14/16] applies] /[Fixed Rate Reset Notes] /Not Applicable]
11. Put/Call Options: [Not Applicable/ Call Option / Put Option]
12. Status of the Notes: Senior
13. Date of Board approval for issuance of Notes obtained []

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. **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 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 / Actual/365(Fixed) / Actual/360 / 30E/360 / 30E/360(ISDA) / Actual/365 (Sterling)]
15. **Fixed Rate Reset Rate Note Provisions** [Applicable/Not Applicable]
- (i) Initial Rate of Interest: [] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
 - (ii) Reset Margin: [+/-][] per cent. per annum
 - (iii) Interest Payment Date(s): [] in each year
 - (iv) Fixed Coupon Amount[(s)] in respect of the period from (and including) the Interest Commencement Date up to (but excluding) the First Reset Note Reset Date: [] per Calculation Amount
 - (v) Broken Amount(s): [[] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [] / [Not Applicable]
 - (vi) First Reset Note Reset Date: []
 - (vii) Anniversary Date(s): [] [and each corresponding day and month falling [●] years thereafter]
 - (viii) Reset Determination Dates: []
 - (ix) Reset Rate: [[semi-annual][annualised]Mid-Swap Rate] / [Benchmark Gilt Rate]/[CMT Rate]
 - (x) First Reset Period Fallback; []
 - (xi) Benchmark Gilt[s]: []/[]/[Not Applicable]
 - (xii) Benchmark Frequency: []
 - (xiii) CMT Designated Maturity: []

- (xiv) CMT Rate Screen Page: []
- (xv) Swap Rate Period: [[]/Not Applicable]
- (xvi) Relevant Screen Page: ["ICESWAP1"] / ["ICESWAP 2"] / ["ICESWAP3"] / ["ICESWAP4"] / ["ICESWAP 5"] / ["ICESWAP6"] / [] / [Not Applicable]
- (xvii) Fixed Leg: [[semi-annual]/[annual] calculated on a[n Actual/365]/[30/360]/[•] day count basis]/[Not Applicable]
- (xviii) Floating Leg: [[3]/[6]/[]-month [LIBOR]/[EURIBOR]/[] rate calculated on an [Actual/365]/[Actual/360]/[] day count basis]/[Not Applicable]
- (xix) Day Count Fraction: [30/360 / Actual/Actual(ICMA) / Actual/Actual (ISDA) / Actual/365 / Actual/365(Fixed) / Actual/360 / 30E/360 / 30E/360(ISDA) / Actual/365 (Sterling)]
16. **Floating Rate Note Provisions** [Applicable/Not Applicable]
- (i) Specified Period: []
- (ii) Specified Interest Payment Dates: []
- (iii) [First Interest Payment Date]: []
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day 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): [Fiscal Agent / []]
- (viii) Screen Rate Determination:
- Reference Rate: [] month [LIBOR/EURIBOR/CIBOR/STIBOR/NIBOR]
 - Interest Determination Date(s): [Second London business day prior to the start of each Interest Period]
[First day of each Interest Period]
[Second day on which the TARGET2 System is open prior to the start of each Interest Period]
[Second Copenhagen business day prior to the start of each Interest Period]

		[Second Stockholm business day prior to the start of each Interest Period]
		[Second Oslo business day prior to the start of each Interest Period]
	• Relevant Screen Page:	[]
	• Relevant Time:	[[] in the Relevant Financial Centre]/[as per the Conditions]
	• Relevant Financial Centre:	[London/Brussels/Copenhagen/Stockholm/Oslo]
(ix)	ISDA Determination:	[2000 ISDA Definitions / 2006 ISDA Definitions]
	• Floating Rate Option:	[]
	• Designated Maturity:	[]
	• Reset Date:	[]
(x)	[Linear Interpolation:	Not Applicable / Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
(xi)	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)	Relevant Benchmark[s]	[[LIBOR/EURIBOR/CIBOR/NIBOR/STIBOR] 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 ESMA pursuant to Article 36 (<i>Register of administrators and benchmarks</i>) of the Benchmark Regulation]/[Not Applicable]
(xv)	Day Count Fraction:	[30/360 / Actual/Actual(ICMA) / Actual/Actual (ISDA) / Actual/365 / Actual/365(Fixed) / Actual/360 / 30E/360 / 30E/360(ISDA) / Actual/365 (Sterling)]
17.	Zero Coupon Note Provisions	[Applicable/Not Applicable]
(i)	Accrual Yield:	[] per cent. per annum
(ii)	Reference Price:	[]
(iii)	Day Count Fraction in relation to Early Redemption Amounts:	[30/360] [Actual/360] [Actual/365]

PROVISIONS RELATING TO REDEMPTION

18.	Notice Periods for Condition 11(b) (<i>Redemption for Tax Reasons</i>)	Minimum period: [] days Maximum period: [] days
-----	---	--

19. **Call Option** [Applicable/Not Applicable]
- (i) Optional Redemption Date(s) (Call): []
- (ii) Optional Redemption Amount(s) (Call): [] per Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [] per Calculation Amount
- (b) Maximum Redemption Amount: [] per Calculation Amount
- (iv) Notice period: Minimum period: [] days
Maximum period: [] days
(Please note that the clearing systems recommend a minimum period of 5 business days in respect of a Call Option)
20. **Put Option** [Applicable/Not Applicable]
- (i) Optional Redemption Date(s) (Put): []
- (ii) Optional Redemption Amount(s) (Put): [] per Calculation Amount
- (iii) Notice period: Minimum period: [] days
Maximum period: [] days
(Please note that the clearing systems recommend a minimum period of 15 business days in respect of a Put Option)
21. **Issuer Residual Call** [Applicable/Not Applicable]
- (i) Residual Early Redemption Amount: [] per Calculation Amount
- (ii) Notice period: Minimum period: [] days
Maximum period: [] days
(Please note that the clearing systems recommend a minimum period of 5 business days in respect of a call option)
22. **Final Redemption Amount** [] per Calculation Amount
23. **Early Redemption Amount**
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or other early redemption: [Not Applicable/[] per Calculation Amount]
24. **Early Termination Amount** [] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. **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]
- [Temporary Global Note exchangeable for Definitive Notes on [] days' notice]
- [Permanent Global Note exchangeable for Definitive Notes on [] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]
- [Registered Notes]**
- [Global Registered Note exchangeable for Individual Note Certificates on [•] days' notice/at any time/in the limited circumstances specified in the Global Registered Note]
- [Global Registered Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]
- [VPS Notes will be issued in uncertificated and dematerialised book entry form]
26. New Global Note: Yes/No
27. Additional Financial Centre(s) or other special provisions relating to payment dates: Not Applicable/[]
28. Talons for future Coupons to be attached to Definitive Notes in bearer form: Yes/No
29. Calculation Agent: [Fiscal Agent] /[] /[Not Applicable]
30. Prohibition of Sales to EEA and UK Retail Investors: [Applicable/Not Applicable]¹
31. Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]²

Signed on behalf of Sampo plc:

By:
Duly authorised

¹ If the offer of the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes may constitute "packaged" products and no key information document required by Regulation (EU) No 1286/2014 (the "**PRIPs Regulation**") will be prepared, "Applicable" should be specified.

² Advice should be taken from Belgian counsel before disapplying this selling restriction.

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 the London Stock Exchange with effect from [].]
[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange with effect from [].]
- (ii) Estimate of total expenses related to admission to trading: []

2. RATINGS

[The Notes to be issued [have not been rated]/[have been rated [] by [Moody's Investors Service Ltd.]/[and]/[have been rated [] by [S&P Global Ratings Europe Limited]]].

[[Each of][Moody's Investors Service Ltd.]/[S&P Global Ratings Europe Limited] [is/are] established in the [United Kingdom] [and] [European Union] and is registered under Regulation (EC) No. 1060/2009, as amended.]

[The Notes to be issued [have not been rated]/[have been rated [] by [S&P Global Ratings Europe Limited]]].

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save as discussed in "*Subscription and Sale*" in the Base Prospectus, 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 the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

- (i) Reasons for the offer: [See ["Use of Proceeds"] in the Base Prospectus/*Give details*]

(See ["Use of Proceeds"] wording in the Base Prospectus – if reasons for offer different from what is disclosed in the Base Prospectus, give details.)

- (ii) Estimated net proceeds: []

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

5. [Fixed Rate Notes only – YIELD

Indication of yield: [] / [Not Applicable]

6. [Floating Rate Notes only - HISTORIC INTEREST RATES

Details of the performance of [LIBOR/EURIBOR/CIBOR/STIBOR/NIBOR] rates can be obtained, [but not] free of charge, from Reuters.]

7. OPERATIONAL INFORMATION

- | | | |
|--------|--|---|
| (i) | ISIN Code: | [] |
| (ii) | Common Code: | [] |
| (iii) | [FISN: | [[See] / <i>[[insert code]</i> , as updated, as set out on]] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available] |
| (iv) | [CFI code: | [[See] / <i>[[insert code]</i> , as updated, as set out on]] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available] |
| (v) | Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking S.A. and the relevant identification number(s): | [Not Applicable/[]]

[Verdipapirsentralen, Norway. VPS identification number: []] |
| (vi) | Names and addresses of additional Paying Agent(s) (if any) | [] |
| (vii) | Delivery: | Delivery [against/free of] payment |
| (viii) | Intended to be held in a manner which would allow Eurosystem eligibility: | <p>[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,]<i>[[include this text for registered notes]]</i> 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.] /</p> <p>[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 [[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,]<i>[[include this text for registered notes]]</i>. 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.</p> |

Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

8. **DISTRIBUTION**

U.S. Selling Restrictions:

[Regulation S Category 2; TEFRA C/TEFRA D/TEFRA not applicable]

FORM OF FINAL TERMS FOR TIER 2 NOTES

The Final Terms in respect of each Tranche of Tier 2 Notes will be in the following form, duly completed to reflect the particular terms of the relevant Tier 2 Notes and their issue.

[PROHIBITION OF SALES TO EEA AND 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 European Economic Area ("**EEA**") or 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 (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.]

[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, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. *[Consider any negative target market]*. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to 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.]

Final Terms dated []

SAMPO PLC

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

EUR 4,000,000,000 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 Tier 2 Conditions (the "**Conditions**") set forth in the base prospectus dated *[date of the current base prospectus]* [and the supplemental base prospectus[es] dated [] [and []] which [together] constitute[s] a base prospectus] (the "**Base Prospectus**") for the purposes of Regulation (EU) 2017/1129 (as amended or superseded) (the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation. These Final Terms contain the final terms of the Notes and must be read in conjunction with such Base Prospectus in order to obtain all the relevant information.

The Base Prospectus and these Final Terms have been published on www.sampo.com.]

[Terms used herein shall be deemed to be defined as such for the purposes of the Tier 2 Conditions (the "**Conditions**") set forth in the base prospectus dated [] which are incorporated by reference in the base prospectus dated *[date of the current 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 dated *[date of the current base prospectus]* [and the supplemental base prospectus[es] dated [] [and []] in order to obtain all the relevant information which [together] constitute[s] a base prospectus] (the "**Base Prospectus**") for the purposes of Regulation (EU) 2017/1129 (as amended or superseded) (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 these Final Terms have been published on www.sampo.com.]

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: []
3. Aggregate Nominal Amount: []
(i) Series: []
(ii) Tranche: []
4. Issue Price: [] per cent. of the Aggregate Nominal Amount [plus accrued interest from []]
5. (i) Specified Denominations: [] [and []] subject to an initial minimum denomination of EUR 100,000 or its equivalent in any other currency
(ii) Calculation Amount: []
6. (i) Issue Date: []
(ii) Interest Commencement Date: [[]/Issue Date/Not Applicable]
7. Maturity Date: [[]/Not Applicable]
8. Interest Basis: [[] per cent. Fixed Rate]
[Fixed Rate Reset Notes]
[[Reference Rate] +/- [] per cent. Floating Rate]
(see paragraph [14/15/16] below)
9. Redemption/Payment Basis: [Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount/Not Applicable]
10. Change of Interest Basis: [[For the period from (and including) the Interest Commencement Date, up to (but excluding) [] paragraph [14]/[16] applies and for the period from (and including) [] [to (but excluding) the Maturity Date], paragraph [14/16] applies] [Fixed Rate Reset Notes]/Not Applicable]
11. Call Options: [Not Applicable/Call Option]
12. Status of the Notes: Tier 2 Notes
13. Date of Board approval for issuance of Notes obtained []

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. **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 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 / Actual/365(Fixed) / Actual/360 / 30E/360 / 30E/360(ISDA) / Actual/365 (Sterling)]
15. **Fixed Rate Reset Rate Note Provisions** [Applicable/Not Applicable]
- i. Initial Rate of Interest: [] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
 - ii. Reset Margin: [+/-][] per cent. per annum
 - iii. Interest Payment Date(s): [] in each year
 - iv. Fixed Coupon Amount[(s)] in respect of the period from (and including) the Interest Commencement Date up to (but excluding) the First Reset Note Reset Date: [] per Calculation Amount
 - v. Broken Amount(s): [[] per Calculation Amount, payable on the Interest Payment Date falling [in/on] []] / [Not Applicable]
 - vi. First Reset Note Reset Date: []
 - vii. Anniversary Date(s): [] [and each corresponding day and month falling [•] years thereafter]
 - viii. Reset Determination Dates: []
 - ix. Reset Rate: [[semi-annual][annualised]Mid-Swap Rate] / [Benchmark Gilt Rate]/[CMT Rate]
 - x. First Reset Period Fallback; []
 - xi. Benchmark Gilt[s]: []/[]/[Not Applicable]
 - xii. Benchmark Frequency: []
 - xiii. CMT Designated Maturity: []
 - xiv. CMT Rate Screen Page: []

xv.	Swap Rate Period:	[[]/Not Applicable]
xvi.	Relevant Screen Page:	["ICESWAP1"] / ["ICESWAP 2"] / ["ICESWAP3"] / ["ICESWAP4"] / ["ICESWAP 5"] / ["ICESWAP6"] / [] / [Not Applicable]
xvii.	Fixed Leg:	[[semi-annual]/[annual] calculated on a[n Actual/365]/[30/360]/[•] day count basis]/[Not Applicable]
xviii.	Floating Leg:	[[3]/[6]/[]-month [LIBOR]/[EURIBOR]/[] rate calculated on an [Actual/365]/[Actual/360]/[] day count basis]/[Not Applicable]
xix.	Day Count Fraction:	[30/360 / Actual/Actual(ICMA) / Actual/Actual (ISDA) / Actual/365 / Actual/365(Fixed) / Actual/360 / 30E/360 / 30E/360(ISDA) / Actual/365 (Sterling)]
16.	Floating Rate Note Provisions	[Applicable/Not Applicable]
(i)	Specified Period:	[]
(ii)	Specified Interest Payment Dates:	[]
(iii)	[First Interest Payment Date]:	[]
(iv)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day 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):	[Fiscal Agent / []]
(viii)	Screen Rate Determination:	
	• Reference Rate:	[] month [LIBOR/EURIBOR/CIBOR/STIBOR/NIBOR]
	• Interest Determination Date(s):	[Second London business day prior to the start of each Interest Period] [First day of each Interest Period] [Second day on which the TARGET2 System is open prior to the start of each Interest Period] [Second Copenhagen business day prior to the start of each Interest Period]

		[Second Stockholm business day prior to the start of each Interest Period]
		[Second Oslo business day prior to the start of each Interest Period]
	• Relevant Screen Page:	[]
	• Relevant Time:	[[] in the Relevant Financial Centre]/[as per the Conditions]
	• Relevant Financial Centre:	[London/Brussels/Copenhagen/Stockholm/Oslo]
(ix)	ISDA Determination:	[2000 ISDA Definitions / 2006 ISDA Definitions]
	• Floating Rate Option:	[]
	• Designated Maturity:	[]
	• Reset Date:	[]
(x)	[Linear Interpolation:	Not Applicable / Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation]
(xi)	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)	Relevant Benchmark[s]	[[LIBOR/EURIBOR/CIBOR/NIBOR/STIBOR] 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 ESMA pursuant to Article 36 (<i>Register of administrators and benchmarks</i>) of the Benchmark Regulation]/[Not Applicable]
(xv)	Day Count Fraction:	[30/360 / Actual/Actual(ICMA) / Actual/Actual (ISDA) / Actual/365 / Actual/365(Fixed) / Actual/360 / 30E/360 / 30E/360(ISDA) / Actual/365 (Sterling)]
17.	Optional Interest Deferral:	[Applicable/Not Applicable]

PROVISIONS RELATING TO REDEMPTION

18.	Notice Periods for Condition 10(c) (<i>Taxation reasons redemption, variation or substitution</i>)	Minimum period: [] days Maximum period: [] days
19.	Notice Periods for Condition 10(e) (<i>Capital Disqualification Event redemption, variation or substitution</i>)	Minimum period: [] days Maximum period: [] days

20. **Call Option** [Applicable/Not Applicable]
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s): [] per Calculation Amount
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [] per Calculation Amount
- (b) Maximum Redemption Amount: [] per Calculation Amount
- (iv) Notice period: Minimum period: [] days
Maximum period: [] days
(Please note that the clearing systems recommend a minimum period of 5 business days in respect of a Call Option)
21. **Issuer Residual Call** [Applicable/Not Applicable]
- (i) Residual Early Redemption Amount: [] per Calculation Amount
- (ii) Notice period: Minimum period: [] days
Maximum period: [] days
22. **Rating Methodology Call** [Applicable/Not Applicable]
- Notice period: Minimum period: [] days
Maximum period: [] days
23. **Final Redemption Amount** [] per Calculation Amount
24. **Early Redemption Amount**
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, capital disqualification or rating agency event: [Not Applicable/[] per Calculation Amount [in respect of []]]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. **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]
- [Temporary Global Note exchangeable for Definitive Notes on [] days' notice]

[Permanent Global Note exchangeable for Definitive Notes on [] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]

[Registered Notes]

[Global Registered Note exchangeable for Individual Note Certificates on [•] days' notice/at any time/in the limited circumstances specified in the Global Registered Note]

[Global Registered Note registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]

[VPS Notes will be issued in uncertificated and dematerialised book entry form]

- | | |
|---|--|
| 26. New Global Note: | Yes/No |
| 27. Additional Financial Centre(s) or other special provisions relating to payment dates: | Not Applicable/[] |
| 28. Talons for future Coupons to be attached to Definitive Notes in bearer form: | Yes/No |
| 29. Calculation Agent: | [Fiscal Agent/[]/Not Applicable] |
| 30. Prohibition of Sales to EEA and UK Retail Investors: | [Applicable/Not Applicable] ³ |
| 31. Prohibition of Sales to Belgian Consumers: | [Applicable/Not Applicable] ⁴ |

Signed on behalf of Sampo plc:

By:
Duly authorised

³ If the offer of the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the offer of the Notes may constitute "packaged" products and no key information document required by Regulation (EU) No 1286/2014 (the "**PRIPs Regulation**") will be prepared, "Applicable" should be specified.

⁴ Advice should be taken from Belgian counsel before disapplying this selling restriction.

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 the London Stock Exchange with effect from [].]
[Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange with effect from [].]
- (ii) Estimate of total expenses related to admission to trading: []

2. RATINGS

[The Notes to be issued [have not been rated]/[have been rated [] by [Moody's Investors Service Ltd.]/[and]/[have been rated [] by [S&P Global Ratings Europe Limited]]].

[[Each of][Moody's Investors Service Ltd.]/[S&P Global Ratings Europe Limited] [is/are] established in the [United Kingdom] [and] [European Union] and is registered under Regulation (EC) No. 1060/2009, as amended.]

[The Notes to be issued [have not been rated]/[have been rated [] by [S&P Global Ratings Europe Limited]]].

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save as discussed in "*Subscription and Sale*" in the Base Prospectus, 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 the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

- (i) Reasons for the offer: [See ["Use of Proceeds"] in the Base Prospectus/*Give details*]

(See ["Use of Proceeds"] wording in the Base Prospectus – if reasons for offer different from what is disclosed in the Base Prospectus, give details.)

- (ii) Estimated net proceeds: []

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

5. [Fixed Rate Notes only – YIELD

Indication of yield: [] / [Not Applicable]

6. [Floating Rate Notes only - HISTORIC INTEREST RATES

Details of performance of [LIBOR/EURIBOR/CIBOR/STIBOR/NIBOR] rates can be obtained, [but no] free of charge, from Reuters.]

7. OPERATIONAL INFORMATION

- (i) ISIN Code: []
- (ii) Common Code: []
- (iii) [FISN: [[See] / [[*insert code*], as updated, as set out on]] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available]
- (iv) [CFI code: [[See] / [[*insert code*], as updated, as set out on]] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable / Not Available]
- (v) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking S.A. and the relevant identification number(s): [Not Applicable/[]]
[Verdipapirsentralen, Norway. VPS identification number: []]
- (vi) Names and addresses of additional Paying Agent(s) (if any) []
- (vii) Delivery: Delivery [against/free of] payment

8. DISTRIBUTION

- U.S. Selling Restrictions: [Regulation S Category 2; TEFRA C/TEFRA D/TEFRA not applicable]

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Clearing System Accountholders

In relation to any Tranche of Notes represented by a Global Note in bearer form, references in the Terms and Conditions of the Notes to "Noteholder" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN, for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper. Special arrangements apply for VPS Notes (see *Terms and Conditions*).

In relation to any Tranche of Notes represented by a Global Registered Note, references in the Terms and Conditions of the Notes to "Noteholder" are references to the person in whose name such Global Registered Note is for the time being registered in the Register which, for so long as the Global Registered Note is held by or on behalf of a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or a nominee for that depositary or common depositary.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note or a Global Registered Note (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer to the holder of such Global Note or Global Registered Note and in relation to all other rights arising under such Global Note or Global Registered Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note or Global Registered Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by a Global Note or Global Registered Note, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the holder of such Global Note or Global Registered Note.

Conditions applicable to Global Notes

Each Global Note and Global Registered Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Global Note or Global Registered Note. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Global Note or Global Registered Note which, according to the Terms and Conditions of the Notes, require presentation and/or surrender of a Note, Note Certificate or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note or Global Registered Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg.

Payment Business Day: In the case of a Global Note, or a Global Registered Note, shall be, if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

Payment Record Date: Each payment in respect of a Global Registered Note will be made to the person shown as the Holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where "**Clearing System Business Day**" means a day on which each clearing system for which the Global Registered Note is being held open for business.

Exercise of put option: In order to exercise the option contained in Condition 9(e) (*Redemption and Purchase - Redemption at the option of Noteholders*) the bearer of the Permanent Global Note or the holder

of a Global Registered Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option: In connection with an exercise of the option contained in Condition 9(c) (*Redemption and Purchase - Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note or Global Registered Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 20 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or a Global Registered Note and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are), or the Global Registered Note is, deposited with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 20 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Holders of Notes held through Euroclear and Clearstream, Luxembourg must rely on procedures of those clearing systems to effect transfers of Notes, receive payments in respect of Notes and vote at meetings of Noteholders.

Notes issued under the Programme will be represented on issue by one or more Global Notes that may be deposited with a common depository or common safekeeper for Euroclear and Clearstream, Luxembourg. Except in certain limited circumstances described in each Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by a Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

The Issuer will discharge its payment obligations under the Notes by making payments by making payments through Euroclear and Clearstream, Luxembourg. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Note.

Holders of beneficial interests in a Global Notes will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

DESCRIPTION OF THE ISSUER

Overview

Sampo plc (known as Sampo Oyj in Finland) (the "**Issuer**" or "**Sampo**" and, together with its subsidiaries, "**Sampo Group**" or "**Group**") is the Finnish holding company of Sampo Group. The Issuer is a public limited company incorporated on 5 September 1922 under the laws of Finland with registration number 0142213-3 and has been listed on the Nasdaq Helsinki Ltd. since 1988. The Issuer's principal executive office is located at Fabianinkatu 27, FI-00100 Helsinki, Finland, its telephone number is +358 10 516 0100 and its website is www.sampo.com.

History

Insurance Business

Sampo Group's main business areas include property and casualty ("**P&C**") insurance and life insurance. Sampo Group divested its banking business in 2007 by selling the Sampo Bank Group to Danske Bank A/S.

The roots of Sampo Group's P&C insurance business reach back to the 18th century and its life insurance business dates back to the 19th century. At the beginning of 2002, the P&C insurance operations of Sampo Group were combined with If P&C Insurance Holding Ltd (publ) ("**If**" or "**If P&C**"). Through this transaction and two other transactions, If became a wholly owned subsidiary of the Issuer.

Topdanmark

During recent years, Sampo Group has increased its shareholdings in the Danish insurer, Topdanmark A/S ("**Topdanmark**"). In 2016, Sampo Group restructured its ownership in Topdanmark and the Issuer acquired the entire shareholding of If in Topdanmark.

As a result, the Issuer's ownership stake in Topdanmark shares exceeded the applicable Danish threshold for mandatory offers of one third of the total outstanding votes and, consequently, the Issuer commenced a mandatory offer to the shareholders of Topdanmark in September 2016. Following completion of the offer, the Issuer held 41.11 per cent. of the entire share capital and all voting rights in Topdanmark.

During 2017, the Issuer continued to acquire Topdanmark shares and, on 30 September 2017, the Issuer held 41,997,070 Topdanmark shares which, taking into consideration the treasury shares held by Topdanmark, gave the Issuer a 49.1 per cent. share of the voting rights as of such date. Prior to 30 September 2017, Topdanmark was recorded as an associated company in Sampo Group's accounts. However, from 30 September 2017, the Issuer has gained control (in accordance with the IFRS) of Topdanmark and, accordingly, Topdanmark has been consolidated as a subsidiary in the financial reporting of Sampo Group. As of 31 December 2019, the amount of shares held by the Issuer has remained unchanged but, due to Topdanmark using its treasury shares in its incentive scheme, the Issuer's share of voting rights decreased to 48.2 per cent. The Issuer is the largest shareholder in Topdanmark.

Ownership in Nordea

The Issuer is also the largest shareholder in the Nordic banking group, Nordea with a holding of 19.87 per cent. as of 31 December 2019. The Issuer's shareholding used to be 21.2 per cent. but decreased below 20 per cent. after 13 August 2019 following the distribution of an extra dividend by the Issuer in the form of Nordea shares. This changed the treatment of Nordea shares in Sampo Group's own funds and the Group SCR (as defined below) as the shares are treated as equity investment and consequently the change had an impact on the solvency position of Sampo Group.

Since 2009, Nordea is recorded as an associated company in Sampo Group's accounts.

Business overview

Organisational structure

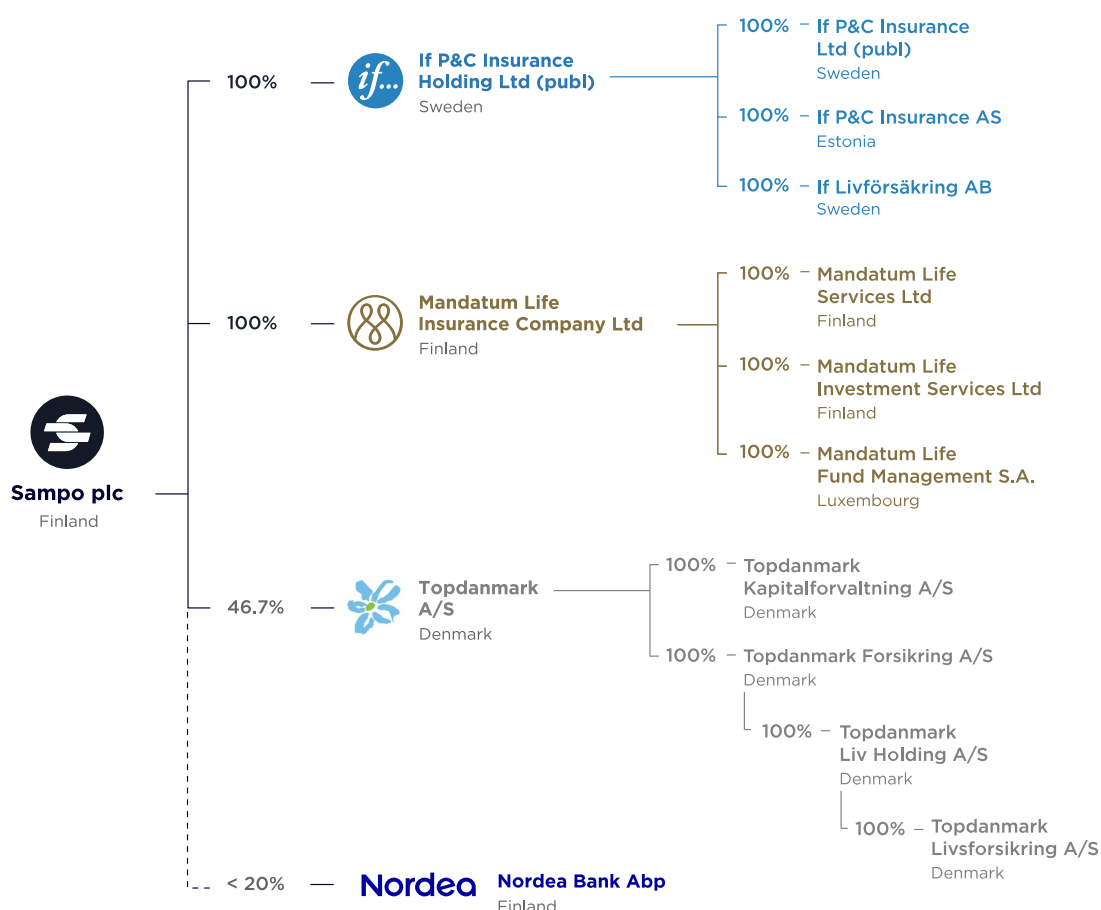
The Group is engaged in non-life insurance and life insurance mainly in the Nordics.

Non-life insurance and life insurance activities are conducted by the Issuer's subsidiaries If P&C, Mandatum Life Insurance Company ("**Mandatum Life**") and Topdanmark. The first two are wholly owned by the Issuer, which is a listed holding company and has no insurance or banking activities of its own. As of 31 December 2019, the Issuer had a 46.7 per cent. of shares and 48.2 per cent. of voting rights in Topdanmark.

In addition to the insurance subsidiaries, as at 31 December 2019, the Issuer held an equity stake of 19.87 per cent. in Nordea through which Sampo Group is engaged in banking business.

Sampo as a holding company manages its subsidiaries and associated companies independently of each other meaning that the legal sub-groups Mandatum Life, If P&C, Topdanmark and the associated company Nordea conduct their businesses independently from each other. The independent sub-groups have their own infrastructures and management as well as operative processes in place. In instances where the subsidiaries and the associated companies cooperate in some business areas, cooperation is conducted similarly as with any third-party.

The following table shows the Sampo Group structure as of 31 December 2019.



Mandatum Life is a life insurance company operating in Finland and the Baltic countries. In addition, it operates on a cross-border basis in Sweden and in Denmark. Mandatum Life's new business is mainly focused on unit linked business and corporate and high net worth individual customers.

According to the latest available full year market share information, which is based on national insurance association statistics as of 2018, If is the largest Nordic P&C insurer with a market share of approximately 16 per cent.⁵ In addition If also commands a strong position in the Baltic insurance

⁵ Source: Nordic market share is an estimate based on national insurance associations' statistics.

market, being the fourth largest P&C insurer in the Baltic region combined.⁶ P&C insurance products are sold under the If brand as well as through other brands, co-branding and in partnerships. Motor insurance is, for instance, available as car branded cover, under brands such as Volvia.

Topdanmark is the second largest non-life insurance company in Denmark with a market share of approximately 16 to 17 per cent.⁷ Topdanmark is also involved in life insurance in Denmark being the fifth largest commercial life insurance company with a market share of 10 per cent.³

Sampo Group is also one of the largest investors in the Nordic countries.

Mission and Strategy

Sampo Group's mission is to generate value for its shareholders. Value is created through efficient and highly profitable operating units and by investments in situations offering significant upside potential with manageable downside risk.

If's vision is to offer insurance solutions that provide customers with security and stability in their daily lives and business operations with such excellence that If is the preferred insurance provider in the Nordic and Baltic markets, expressed through the customer promise: "Relax, we'll help you". If's strategy is based on customer orientation, leading insurance expertise and stable profitability through underwriting excellence and operational efficiency. The overall purpose of the strategy from a financial perspective is to ensure a return on equity ("**RoE**") of at least 17.5 per cent. (after tax).

Mandatum Life aims to be the leading life insurance provider in Finland and in the Baltic countries. Mandatum Life's core product areas are unit-linked policies, personal risk products and group pension schemes. The financial results of Mandatum Life consist of three components - investment result, risk result and expense result. In Finland, the rules regarding profit-sharing between the company and its policyholders (i.e., the so-called principle of fairness) allow the company to seek higher returns for its investments rather than risk free returns though still taking into account the restrictions of current and forecasted solvency position. For the expense and risk results Mandatum Life seeks growth. Mandatum Life's financial target is to produce a RoE of 17.5 per cent.

Topdanmark and its subsidiaries (the "**Topdanmark Group**") are a Danish insurance group concentrating on the Danish insurance market writing non-life, life and pension policies through its operative insurance companies Topdanmark Forsikring and Topdanmark Livsforsikring. At the group level the current emphasises are (i) to create synergies by having both non-life and life insurance businesses within the same group, and (ii) to improve customer experience and cost efficiency by digitalisation, innovation and new technology. Products are marketed through a diversified net of distribution channels including Topdanmark's own sales staff, consisting of tied agents, sales centres, external partners, insurance brokers and online sales.

If P&C

If is the leading P&C insurance company in the Nordic region, with a market share of approximately 16 per cent.¹ Insurance operations also encompass the Baltic countries. If was established in 1999, when the P&C insurance businesses of Storebrand from Norway and Skandia from Sweden were merged. At the beginning of 2002, Sampo Group's P&C insurance operations were merged into If. In 2004, the Issuer acquired the If holdings of Skandia, Skandia Liv, Storebrand and Varma, as a result of which If became the Issuer's wholly owned subsidiary. The P&C insurance group's parent company, If P&C Insurance Holding Ltd (publ), is located in Sweden and the If subsidiaries and/or branches provide insurance services in Finland, Sweden, Norway, Denmark and the Baltic countries. Since July 2009, the three If subsidiaries in the Baltic countries have operated under one company, If P&C Insurance AS, with its domicile in Estonia and branches in Latvia and Lithuania.

If is one of the leading insurance companies in Sweden, Norway and Finland with market shares of 18, 21 and 22 per cent. respectively.⁸ In the Danish market, which is more fragmented, If (not including the Issuer's share in Topdanmark) is the seventh largest company with a market share of 6 per cent.⁹ If also

⁶ Source: Baltic market share is an estimate based on national insurance associations' statistics.

⁷ Source: Danish Insurance Association.

⁸ Sources: Svensk Försäkring, Finans Norge and Finanssialan Keskusliitto (Finance Finland) respectively.

⁹ Source: Forsikring & Pension.

commands a strong position in the Baltic countries with a market share of 10 per cent.¹⁰ If's operations are divided into four business areas: Private, Commercial, Industrial and Baltic.

The Private business area provides insurance to individuals, including property, motor, accident & health insurance, as well as supplementary insurance products such as travel and boat insurance. If Group also provides travel insurance for Norwegian travellers through Europeiske and motor insurance for Nordic drivers through brands such as Volvia.

The Commercial business area provides insurance to small and medium sized companies (i.e. those with up to 500 employees) ("**SME**"), through a combination of standardised insurance products and solutions together with more specialised insurance products, solutions and counseling. Areas in which the Commercial business area provides products and solutions include property, liability, motor, marine & transport, accident & health, as well as workers' compensation.

The Industrial business area's customer base consists of large companies with individual turnover exceeding SEK 500 million, with more than 500 employees and complex insurance requirements. In order to provide international services to its Nordic customers, the Industrial business area also has branch offices in the UK, France, the Netherlands and Germany. Areas in which the Industrial business area provides products and solutions include property, liability, motor, transport, accident & health, as well as workers' compensation.

If has been offering P&C insurance in the Baltic markets since 1992, covering both private individuals and corporate customers. The Baltic business area provides products within property, liability, motor, marine & transport, as well as accident & health insurance.

Mandatum Life

Mandatum Life's primary operating area is Finland. In addition, the company has branches in the Baltic countries and it operates in Sweden and in Denmark on a cross-border basis. Mandatum Life, originally Sampo Life Insurance Company Limited ("**Sampo Life**"), was established in 1997, when unit linked portfolios and individual and group pension portfolios were transferred from Kaleva Mutual to Sampo Life. The Sampo Life and Nova Life merger took place at year end 1998. Leonia Life was merged into Sampo Life at year end 2000. Sampo Life changed its name to Mandatum Life in 2008.

The Baltic subsidiary, which merged into the parent company Mandatum Life in 2017, was established in 2007, when all of Mandatum Life's Baltic subsidiaries were merged together. Sampo Group expanded its life insurance operations outside Finland in 1999 by setting up AS Sampo Elukindlustus in Estonia and acquiring a life insurance company (AAS Sampo Dzīvība) in Latvia, which had been established a year earlier by Hansabank. In Lithuania, life insurance operations (UAB Sampo Gyvybės Draudimas) were started in 2001 with the support of a P&C insurance company, as was the case in Estonia and Latvia. Mandatum Life (formerly Sampo Life) has been responsible for steering the operations of the Baltic companies almost from the beginning since Mandatum Life acquired the entire stock of the companies from the Issuer in 2004.

Mandatum Life started an alternative investment fund (AIF) operation in November 2014. Mandatum Life Investment Fund SICAV -Sif (the "**Fund**") is operated as an umbrella fund under Luxembourg Sif regulations (Specialised Investment Fund). The Fund is managed by Mandatum Life Investment Fund Management S.A., fully owned by the parent company Mandatum Life. The Fund and the management company are domiciled in Luxembourg and regulated under the EU AIF regime. The Fund focuses on international and professional customers in the Nordic/Baltic region. Further, Mandatum Life has established a Luxembourg UCITS (Undertakings for the Collective Investment in Transferable Securities) fund operation in 2018 (Mandatum Life SICAV-UCITS), which is also managed by Mandatum Life Fund Management S.A.

As a result of the regulatory limitations concerning the scope of the life insurance licence, Mandatum Life reorganised its operations in Finland in April 2014 by transferring its unit-linked portfolio management unit to a new Finnish investment services company, Mandatum Life Investment Services Ltd, which provides portfolio management services to Mandatum Life's unit-linked insurance business and to the Luxembourg funds operations. At the same time, the majority of the support functions were transferred from Mandatum Life to a services company, Mandatum Life Services Ltd, which provides

¹⁰ Source: Baltic market share is an estimate based on national insurance associations' statistics.

various intra-group services to other group companies and administrative services to pension funds and personnel funds.

In connection with the acquisition of Sampo's banking operations by Danske Bank A/S in early 2007, Sampo Bank plc (now Danske Bank A/S, Finland Branch), and Sampo Life (now Mandatum Life Insurance Company Ltd) signed an agency agreement that guaranteed Sampo Life the exclusive right to sell life and pension insurance products through Danske Bank's branch network in Finland. The agency agreement was replaced in April 2018 when Mandatum Life and Danske Bank signed a new co-operation and agency agreement. The new agreement is valid for five-year periods at a time, but Danske Bank is entitled to extend it for a period of 15 years.

The Mandatum Life group provides its customers with a variety of services, including pensions, wealth management, investments, savings, personal risk insurance as well as incentive and reward solutions.

Mandatum Life's range of life insurance products and services include all voluntary life and pension insurance needs for both private and corporate customers. The products offered can be categorised into unit-linked policies, with-profit policies and personal risk policies, although new sales are focused on unit-linked insurance and risk products. As of 31 December 2019, 67 per cent. of the technical reserves relate to unit-linked policies. Mandatum Life's Baltic branches also focus on unit-linked insurance and personal risk policies.

Unit-linked policies allow the customer to invest insurance premiums in a variety of investment alternatives and ultimately to bear the risks related to the investments. With-profit insurance policies allow the customer to receive a guaranteed interest rate plus a possible bonus and consequently Mandatum Life bears the investment risks.

In 2008, the life insurance company began using the marketing brand of Mandatum Life and extended its business model to asset management under insurance products. The concept is based on launching savings and investment solutions linked to insurance and capital redemption policies. This wealth management function is the fastest-growing unit of Mandatum Life.

Topdanmark

Topdanmark Forsikring is the second largest Danish non-life insurance company with a market share of 16 to 17 per cent.¹¹ It operates mainly within personal-, SME- and agriculture client segments having approximately 500,000 household customers and respectively 105,000 SME and agriculture customers. Topdanmark's strategy is to have the material part of its risks in Denmark. Approximately 300,000 claims are handled on a yearly basis.

Topdanmark Livsforsikring is the fifth-largest commercial life insurance company in Denmark with a market share of 10 per cent. Topdanmark Livsforsikring offers pension schemes with profit as well as market interest pensions products, including life insurance covers and health insurance. The number of personal customers is around 50,000 and the number of customers within the company pension schemes is around 90,000. The main source of profit is the risk return from with-profit schemes.

Risk Management

When Sampo Group is organising its business and risk management activities, clear responsibilities and simple and flat operational structures are the fundamental principles. The responsibilities and operational structures followed by the Issuer and its wholly-owned subsidiaries are described in the following paragraphs. Topdanmark has also adopted Sampo Group's principal group-wide principles and policies, including the risk management principles, although there may be some small differences. Thus, the steering framework and risk management processes of Topdanmark may be slightly different than described below.

The overall risk management and internal control principles as well as divisions of responsibilities of the insurance subsidiaries are defined at the Sampo Group level. The insurance subsidiaries organise their operations according to these principles while taking into account the specific characteristics of the respective business areas.

¹¹ See footnote 3 above.

Risk is an essential and inherent element of Sampo Group's business activities and operating environment. A high quality risk management process is a prerequisite for running the business. The core competence in Sampo Group's businesses is the pricing of risks and the proper management of the arising risk exposures.

In Sampo Group the key objectives for risk management are:

Balance between risks, capital and earnings

- (i) to ensure that risks affecting profitability as well as other material risks are identified, assessed and analysed;
- (ii) to ensure that capitalisation is adequate in terms of current risks inherent in business activities and strategic risks, taking into account the expected profitability of the businesses;
- (iii) to ensure that risk-bearing capacity is allocated into different business areas in accordance with the strategy; and
- (iv) to ensure that underwriting risks are priced reflecting their inherent risk levels, and that expected returns of investment activities are in balance with their risks and consequential risks are mitigated sufficiently;

Cost efficient and high quality processes

- (i) to ensure that client service processes and internal operative processes are cost efficient and of high quality;
- (ii) to ensure that decision making is based on accurate, adequate and timely information; and
- (iii) to ensure continuity of operations and fast and comprehensive recovery in case of discontinuity events;

Strategic and operational flexibility

- (i) to ensure that external risk drivers and potential business risks are identified and the company is in a good position, in terms of capital structure and management skills, to react to changes in business environment; and
- (ii) to ensure that corporate structure, knowledge and processes in companies facilitate effective implementation of changes.

When the above targets are met, risk management is contributing positively on return on equity and mitigating the yearly fluctuations in profitability. The risk management process is therefore considered to be one of the contributors in creating value for the stakeholders of the Issuer.

Sampo Group's major risks, excluding Nordea, arise from the insurance activities and investment portfolios. Risk management related to these areas is seen as core competence and is therefore under continuous development. Like all companies, Sampo Group is exposed to operational risks and risks related to the business environment. Sampo Group is continuously working at improving internal control, core processes and systems, business continuity planning as well as monitoring and analysing impacts from changes in the Sampo Group's external operating environment to reduce the impact of operational and business risks. See "Risk Factors" above for discussion of the main risks to which Sampo Group is exposed.

The Insurance Sector in the Nordic and Baltic Countries

Life Insurance

The Finnish life insurance market is dominated by the three biggest players. The proportion of unit-linked policies' volume covers the majority of the annual premium income. Due to structural changes in the taxation of private persons' long-term savings which became effective on 1 January 2010, new sales of private persons' pension policies are minimal.

The Danish Life insurance market is split between commercial life and pension companies and labour market pension funds. There are approximately 10 commercial companies which together have about 60 per cent. of the market. The rest of the market is distributed between a number of pension funds. Most of the new business is written as unit linked schemes.

P&C Insurance

The P&C insurance markets in the Nordic countries are consolidated with the four largest players accounting for approximately 70 to 90 per cent. of the market shares in Norway, Finland and Sweden respectively. In the Baltic region, insurance markets have consolidated during the past years and the five largest players now account for approximately 85 to 90 per cent. of the total volume in Estonia, Latvia and Lithuania respectively.

Since the beginning of the year 2000, the Nordic P&C insurance market has been relatively profitable. Due to the low interest rate environment and thus, the limited returns on insurers' investment portfolios, the P&C insurance industry has strengthened its focus on underwriting performance. In the Baltic region, consolidation during the past few years has resulted in an improved financial discipline and financial results.

The development of the global economy and consequently the Nordic economic outlook is difficult to predict. Inflation has stabilised at low levels. Competition in the Nordic insurance market continues to be intense and, due to the challenges of growing business within relatively mature and GDP-driven segments, insurers focus on volume generating actions and customer retention. The outlook for economic growth in the Baltic region is good and P&C insurance market volumes are expected to grow along with or somewhat faster than the economic growth.

Regulation in Finland

The Issuer is a Finnish parent company of an insurance group subject to a comprehensive regulatory scheme determined by Finnish laws and regulations and supplemented by guidelines issued by the Finnish Financial Supervisory Authority. The Issuer and its operating subsidiaries have a policy of complying with all applicable laws and regulations.

The key laws and regulations relating to the Issuer and its operating subsidiaries' business include:

- the Finnish Insurance Companies Act (521/2008, as amended) including provisions on, for example the granting of a licence, underwriting reserves and solvency requirements;
- various regulations and guidelines issued by the Finnish Financial Supervisory Authority; and
- the Finnish Insurance Contracts Act (543/1994, as amended).

In addition to Finnish regulation, Sampo Group is subject to local regulation in other countries in which it operates.

Significant Subsidiaries

The following is a list of Sampo Group's significant subsidiaries as of 31 December 2019:

Company	Country of incorporation	Sampo Ownership Interest %	Sampo Voting Interest %
Mandatum Life Insurance Company Limited.....	Finland	100	100
Mandatum Life Services Ltd	Finland	100	100
Mandatum Life Investment Services Ltd	Finland	100	100
Mandatum Life Fund Management S.A.	Luxembourg	100	100
SAKA Hallikiinteistöt GP Ltd	Finland	100	100
Mandatum Life Vuokratontit I GP Ltd	Finland	100	100
If P&C Insurance Holding Ltd (publ)	Sweden	100	100

Company	Country of incorporation	Sampo Ownership Interest %	Sampo Voting Interest %
If P&C Insurance Ltd (publ)	Sweden	100	100
If P&C Insurance AS	Estonia	100	100
Support Services AS	Estonia	100	100
If Livförsäkring AB	Sweden	100	100
Topdanmark A/S	Denmark	47	48

In addition to the above significant subsidiaries, as of 31 December 2019, Nordea (19.87 per cent. of voting rights) is recorded as an associated company in Sampo Group's accounts.

Shares and Ownership Structure

On 29 February 2020, the Issuer had 555,351,850 shares, divided into 554,151,850 A shares and 1,200,000 B shares. Each A share entitles the holder to one vote and each B share to five votes at the General Meeting of Shareholders. Sampo A shares have been quoted on the main list of Nasdaq Helsinki Ltd. since 1988. All the B shares are held by Kaleva Mutual Insurance Company. B shares can be converted into A shares at the request of the holder. The Issuer's share capital amounted to EUR 98,113,837.97 on 29 February 2020. On 289 February 2020, the Issuer and the other companies in Sampo Group held no shares in the Issuer.

The table below sets forth details of the Issuer's ten largest registered shareholders (including both A and B shares) and their respective holdings on 29 February 2020:

Shareholder	Number of shares	%
Solidium Oy*	44,278,580	7.97
Varma Mutual Pension Insurance Company	22,248,420	4.01
Ilmarinen Mutual Pension Insurance Company	6,837,673	1.23
Elo Pension Company	3,800,064	0.68
The State Pension Fund	3,600,000	0.65
Kaleva Mutual Insurance Company	2,672,719	0.48
Schweizerische National Bank	2,507,549	0.45
OP-Finland Fund	2,236,892	0.40
Oy Lival AB	2,230,397	0.40
Keva	1,965,300	0.35
10 largest owners total	92,377,594	16.63

* Solidium Oy is entirely owned by the Finnish government.

On 29 February 2020, nominee-registered investors held 362,520,217 shares, corresponding to 65.28 per cent. of all the shares and 64.72 per cent. of all voting rights in the Issuer.

In respect of the nominee-registered investors, as of 29 February 2020, the Issuer has been notified that (i) Blackrock, Inc. holds (through ownership and financial instruments) 6.07 per cent. of the total shares and 6.02 per cent. of the total voting rights in the Issuer and (ii) The Capital Group Companies, Inc., holds 4.98 per cent. of the total shares and 4.93 per cent. of the total voting rights in the Issuer.

On 17 September 2018, the Chair of the Board, Björn Wahlroos, transferred 1.670 million A shares and on 11 February 2019, 1.688 million A shares to a company in which his children exercise controlling power. As a result of these transactions, Björn Wahlroos and companies he controls hold 4.9 million A shares, amounting to 0.9 per cent. of the total shares.

As far as the Issuer is aware, the Issuer is not directly or indirectly owned or controlled by any corporation or by any government. There are, to the Issuer's knowledge, no arrangements that may result in a change of control of the Issuer.

Recent Events

On 25 March 2020, the Issuer's Board of Directors (the "**Board of Directors**") announced that it will postpone its Annual General Meeting, originally scheduled to be held on 23 April 2020, to ensure the safety and well-being of the Issuer's shareholders, employees and other stakeholders in light of the corona outbreak and the related health threat. The Issuer intends to arrange the Annual General Meeting on 2 June 2020. A notice to the Annual General Meeting will be published during May 2020.

On 6 February 2020, the Issuer's Board of Directors approved a new dividend policy according to which total annual dividends paid will be at least 70 per cent of Group's net profit for the year (excluding extraordinary items). In addition share buy-backs can be used to complement the cash dividend. The Issuer also announced that the Board of Directors will propose for the Annual General Meeting a dividend of EUR 2.20 per share (i.e., a total of EUR 1,222).

Financial Development in 2019

The Sampo Group has prepared the consolidated financial statements for 2019 in compliance with the International Financial Reporting Standards (IFRS) as adopted by the European Union. Sampo Group's profit before taxes for 2019 amounted to EUR 1,541 million (EUR 2,094 million in 2018).

Sampo Group's total investment assets excluding assets which cover unit-linked contracts on 31 December 2019 amounted to EUR 26.8 billion (EUR 25.9 billion in 2018). Reported investment income was EUR 2,515 million for 2019 (EUR -104 million in 2018).

Sampo Group's balance sheet total on 31 December 2019 amounted to EUR 51,939 million (EUR 49,340 million in 2018). On the asset side the total amount of financial assets was EUR 23,443 million (EUR 22,693 million in 2018).

Sampo Group's equity on 31 December 2019 amounted to EUR 12,542 million (EUR 13,014 million in 2018).

In May 2019, the Issuer issued tier 2 notes in the aggregate nominal amount of EUR 500,000,000 and due in 2049.

Sampo Group's solvency capital requirement ("**Group SCR**") and amount of its own funds are calculated according to Solvency II. At the end of 2019, Sampo Group's own funds of EUR 10,210 million (EUR 10,355 million as of 31 December 2018) exceeded the Group SCR of EUR 6,131 million (EUR 7,413 million as of 31 December 2018) by EUR 4,079 million (EUR 2,942 million as of 31 December 2018) and the solvency ratio (Sampo Group's Ratio of Eligible own funds to group SCR) was 167per cent. (140 per cent. as of 31 December 2018).

Directors, Senior Management and Employees

The Issuer's Board of Directors is responsible for the management of the company in compliance with laws and regulations, the Issuer's Articles of Association and the decisions of the Shareholders' Meetings. The Board of Directors elects the Group CEO and President, the members of the Group Executive Committee and the Group Chief Audit Executive, releases them from their duties, and decides on the terms and conditions of their employment and on other compensation.

The Issuer has a Managing Director who is simultaneously the Group CEO and President of Sampo Group. The Board of Directors elects and releases the Group CEO and decides on the terms of employment and other compensation. The Managing Director of the Issuer and the CEO and President of Sampo Group is Torbjörn Magnusson as of 1 January 2020.

Board of Directors

The current members of the Issuer's Board of Directors were elected at the Annual General Meeting on 9 April 2019 in accordance with the proposal of the Nomination and Compensation Committee (renamed

Nomination and Remuneration Committee as of 1 January 2020) of the Board of Directors. At their first meeting following the Annual General Meeting, the Board of Directors annually elects a Chair and Vice Chair from its members. At the Annual General Meeting held on 9 April 2019, the following members were re-elected to the Board of Directors: Christian Clausen, Jannica Fagerholm, Veli-Matti Mattila, Risto Murto, Antti Mäkinen and Björn Wahlroos. In addition to the aforementioned, Fiona Clutterbuck and Johanna Lamminen were elected to the Board of Directors as new Board members. The Board of Directors re-elected Björn Wahlroos as the Chair of the Board of Directors.

The current members of the Board of Directors are set forth below.

Chair Björn Wahlroos, b. 1952

Chair of the Board of Directors of the Issuer since 2009. Board member since 2001.

Group CEO and President and Managing Director of the Issuer (2001 to 2009). Chairman of the Board of Directors of Sampo Bank Plc (2005 to 2007) and of Mandatum Bank plc (1998 to 2000). Holder of various executive positions of Mandatum & Co Ltd (1992 to 1998) and of the Union Bank of Finland (1985 to 1992). Visiting Associate Professor of Managerial Economics and Decision Sciences at the Kellogg Graduate School of Management, Northwestern University, Evanston, Illinois (1983 to 1984). Visiting Assistant Professor of Economics at Brown University, Providence, Rhode Island (1980 to 1981). Assistant Professor and Lecturer in Finance (1974 to 1979) and Professor of Economics (1979 to 1985) at Swedish School of Economics and Business Administration (Helsinki).

Chairman of the Boards of Directors of UPM-Kymmene Corporation. Member of the Boards of Directors of the Finnish Business and Policy Forum EVA, the Research Institute of the Finnish Economy ETLA and the Mannerheim Foundation.

Jannica Fagerholm, b. 1961

Managing Director of Signe and Ane Gyllenberg Foundation, Board member since 2010.

Managing Director and Head of Private Banking at SEB Gyllenberg Private Bank (1999 to 2010) and holder of various other positions in SEB Gyllenberg Private Bank and SEB Finland (1999 to 2010). Head of life insurance business in Finland in Handelsbanken Liv (1998 to 1999). Various positions in Sampo Insurance Group and its investment management unit (1990 to 1998).

Member of the Board of Directors of Teleste Corporation, Solidium Oy and Kesko Corporation. Member of the Board in Kelonia Private Equity holding company. Member of the Supervisory Board in Veritas Pension Company. Chairman of the Board in Swedish School of Economics. Member of the Investment Committee and Board Member of the Swedish Society of Literature.

Christian Clausen, b. 1955

Chairman for the Nordics, Blackrock, Inc., Board member since 2016.

Senior Advisor, Nordea Bank AB (publ) (2015-2016). President and Group CEO of Nordea Bank AB (publ) (2007 to 2015). Head of Nordea Asset Management & Life (2000 to 2007). Member of Executive Board of Unibank (1998 to 2000). Managing Director and Chief Executive of Unibank Markets (1996 to 1998). Managing Director and Chief Executive of Unibørs Securities (1990 to 1996). Managing Director of Privatbørsen (1988 to 1990).

Member of the Board of Directors of BW Group and BlackRock Group Ltd.

Fiona Clutterbuck, b. 1958

Chairman of the Board of Paragon Banking Group PLC. Board member since 2019.

Head of Strategy, Pearl/Phoenix Group (2008 to 2018). Managing Director and Head of Financial Institutions Advisory, ABN AMRO Investment Bank (2001 to 2008). Managing Director and Global Co-Head of Financial Institutions Group, HSBC Investment Bank (1996 to 2001). Director, Hill Samuel Bank Limited (1985 to 1996). International Banking Manager, Grindlays Bank (1983 to 1985). Derivatives Trader, Merrill Lynch (1981 to 1983).

Chairman of the Board of Directors of Paragon Banking Group PLC. Member of the Board of Directors of Hargreaves Lansdown PLC.

Johanna Lamminen, b. 1966

CEO, Gasum Ltd. Board member since 2019.

Executive Vice President and Deputy to CEO, Gasum Ltd (2013 to 2014). CEO, Danske Bank Plc (2012 to 2013). CFO, Danske Bank Plc (2011 to 2012). CFO, Deputy to CEO, Evli Bank Plc (2005 to 2011). CFO, SSH Communication Security Corporation (1999 to 2005). Managing Director, Arcus Software Oy (1999 to 1999). Director, Finnetcom Oy (1996 to 1999). Controller, Elisa Communications (HPY) (1990 to 1996).

Member of the Board of Directors of Cargotec Corporation. Chair of the Board of Directors of Finnish Foundation for Technology Promotion. Member of the Board of Directors of Research Institute of the Finnish Economy ETLA and Finnish Business and Policy Forum EVA.

Veli-Matti Mattila, b. 1961

President and CEO of Elisa Corporation. Board member since 2009.

CEO of Ericsson Finland (1997 to 2003). Holder of various positions in Ericsson Finland (1990 to 2001). Expert adviser of Ascom Hasler AG (Switzerland) (1989 to 1990).

Member of the Supervisory Board of the Finnish Fair Association. Member of the Representative Assembly of the Confederation of Finnish Industries EK. Member of the Board of Directors of the National Emergency Supply Council. Member of the Board of Directors of Service Sector Employers PALTA. Board member of Finnish Business and Policy Forum EVA. Board member of the Research Institute of the Finnish Economy ETLA.

Risto Murto, b. 1963

CEO and President of Varma Mutual Pension Insurance Company. Board member since 2015.

Executive Vice President of Varma Mutual Pension Insurance Company (2010 to 2013). Senior Vice President, CIO of Varma Mutual Pension Insurance Company (2006 to 2010). President of Opstock Ltd. (2000 to 2005), Head of Equities and Research (1997 to 2000). Head of Research of Erik Selin Ltd. (1993 to 1997). Economist in Bank of Finland (1992 to 1993). Research Fellow in ETLA, the Research Institute of the Finnish Economy (1987 to 1992).

Member of the Board of Directors of Wärtsilä Corporation. Board member of Finance Finland (FFI). Chairman of the Board of the Finnish Pension Alliance TELA.

Antti Mäkinen, b. 1961

CEO of Solidium Oy. Board member since 2018.

Director, Nordea Bank AB (publ) (2010 to 2017). CEO, eQ Corporation (2005 to 2009). Director, SEB Enskilda Securities, Finnish branch (1996 to 2005). Partner, Hannes Snellman Attorneys Ltd (1985 to 1996).

Member of the Board of Directors of Stora Enso Oyj. Member of the Board of Directors of Metso Corporation. Member of the Board of Directors of Rake Oy. Member of several shareholders' Nomination Committees.

The business address of the persons mentioned above is Fabianinkatu 27, FI-00100 Helsinki, Finland.

To the best of the Issuer's knowledge, there are no conflicts of interest between any of the Directors' duties to the Issuer and their private interests or duties.

Group Executive Committee

Sampo Group has a Group Executive Committee (the "**Sampo Group Executive Committee**"), the members of which are appointed by the Issuer's Board of Directors. The Sampo Group Executive Committee supports the Group CEO in the preparation of strategic issues relating to Sampo Group, in the handling of operating matters that are significant or involve questions of principle, and in ensuring

a good internal flow of information. The Issuer's Board of Directors has further appointed a Group MD Committee to the Executive Committee, which supports the Group CEO in preparing matters to be handled by the Group Executive Committee. The Group MD Committee comprises: Torbjörn Magnusson (chairman), Knut Arne Alsaker, Patrick Lapveteläinen, Morten Thorsrud, Petri Niemisvirta and Ricard Wennerklint.

The current members of the Sampo Group Executive Committee are set forth below.

Torbjörn Magnusson, b. 1963

Group CEO and President of Sampo Group. Sampo Group Executive Committee member since 2004.

President and CEO, If P&C Insurance Holding Ltd (publ) (2002 to 2019). Head of Commercial Business Area of If P&C Insurance Ltd (publ) (2001 to 2002). Head of Commercial Product Business Unit of If P&C Insurance Ltd. (publ.) (1999 to 2001). Head of P&C Support and Chief Actuary of Skandia P&C (1998 to 1999). Chief Controller of Skandia P&C (1996 to 1997). Chief Non-Life Actuary of Mercantile & General Re, London (1995 to 1996). Deputy Actuary of Mercantile & General Re, London (1994 to 1995). Non-Life Actuary of Skandia International (1990 to 1993). Information systems consultant of Arthur Andersen & Co (1988 to 1989).

Chairman of the Board of Directors of Nordea Bank Abp. Chairman of the Board of Directors of If P&C Insurance Holding Ltd (publ).

Knut-Arne Alsaker, b. 1973

Group CFO. Sampo Group Executive Committee member since 2014.

Group Executive Vice President and Chief Financial Officer of If P&C Insurance (2011 to 2018). Head of Reinsurance of If P&C Insurance (2009 to 2011). Sampo Group Chief Risk Officer (2007 to 2009). Chief Risk Officer of If P&C Insurance (2005 to 2009). Head of Corporate Finance and Financial Risk Management of If P&C Insurance (2004 to 2005). Treasurer and Head of M&A of If P&C Insurance (2002 to 2004). Deputy Treasurer of If P&C Insurance (2000 to 2002). Investor Relations Manager and Assistant Treasurer of Storebrand ASA (1998 to 2000). Financial Analyst of Storebrand ASA (1997 to 1998).

Member of the Boards of Directors of If P&C Insurance Holding Ltd (publ) and Norwegian Finans Holding ASA. Vice Chairman of Mandatum Life Insurance Company Limited.

Ingrid Janbu Holthe, b. 1982

Group Executive Vice President and Head of Business Area Private of If P&C Insurance. Sampo Group Executive Committee member since 2019.

Senior Vice President, Sales & Service, Norway, BA Private (2015 to 2019), Nordic Head of Business Development, Product & Price, BA Private (2014 to 2015), Business

Patrick Lapveteläinen, b. 1966	<p>Developer, Project Manager, BA Private (2014) of If P&C Insurance. Engagement Manager (2010 to 2013), Associate (2009 to 2010), Junior Associate (2007 to 2008), McKinsey & Company.</p> <p><i>Group CIO. Sampo Group Executive Committee member since 2001.</i></p> <p>Administrative officer of the Issuer (2001 to 2002). Deputy Managing Director and member of the Board of Directors of Mandatum Bank Plc (2000 to 2001). Director and member of the Board of Directors of Mandatum Bank Plc (1998 to 2000). Holder of various positions in Interbank Ltd (1989 to 1998).</p> <p>Chairman of the Board of Directors of Asiakastieto Group Plc and Mandatum Life Insurance Company Limited. Member of the Boards of Directors of If P&C Insurance Holding Ltd (publ), If P&C Insurance Ltd and Saxo Bank A/S.</p>
Ivar Martinsen, b. 1961	<p><i>Group Executive Vice President and Head of Business Area Commercial of If P&C Insurance. Sampo Group Executive Committee member since 2005.</i></p> <p>Head of Commercial Product & Underwriting of If P&C Insurance (2001 to 2003). Head of Commercial Property Product & Underwriting of If P&C Insurance (2000 to 2001). Head of Commercial & Industrial Property Product and Underwriting & Claims handling of Storebrand (1998 to 2000). Head of Commercial & Industrial Property Product of Storebrand (1997 to 1998). Holder of various managerial positions in Storebrand (UNI) (1986 to 1997).</p>
Petri Niemisvirta, b. 1970	<p><i>Managing Director of Mandatum Life Insurance Company Limited and Head of Life Insurance of the Issuer. Sampo Group Executive Committee member since 2001.</i></p> <p>Managing Director of Evli Life Ltd (2000 to 2001). Product Manager (unit-linked insurance) of Sampo Life Insurance Company Limited (1999 to 2000). Life Insurance Sales Manager of Kaleva Mutual Insurance Company/Sampo Life Insurance Company Limited (1995 to 1999).</p> <p>Chairman of the Boards of Directors of Kaleva Mutual Insurance Company. Deputy Chairman of the Boards of Directors of Alma Media Corporation. Member of the Boards of Directors of Varma Mutual Pension Insurance Company, Topdanmark A/S, and BenCo Insurance Holding B.V. (Netherlands). Chairman of the Life Insurance Executive Committee of Finance Finland (FFI). Member of the Confederation of Finnish Industries EK, Finance and Tax Commission.</p>

Morten Thorsrud, b. 1971

President and CEO, If P&C Insurance Holding Ltd (publ). Sampo Group Executive Committee member since 2006.

Group Executive Vice President and Head of Business Area Private of If P&C Insurance (2013 to 2019). Head of Business Area Industrial of If P&C (2006 to 2012). Head of Industrial Underwriting and Claims of If P&C Insurance (2004 to 2005). Head of Corporate Strategy of If P&C Insurance (2002 to 2004). Holder of various managerial positions in McKinsey & Company, Inc. Norway/Europe (1999 to 2002).

Member of the Board of Directors of Topdanmark A/S. Member of the Supervisory Board of Euronext. Member of the Executive Committee of Finance Norway (FNO).

Ricard Wennerklint, b. 1969

Chief of Strategy, Sampo plc. Sampo Group Executive Committee member since 2005.

Executive Director of If P&C Insurance Holding Ltd (publ) (2019). Deputy Managing Director of If P&C Insurance Holding Ltd (publ) (2008 to 2019). Managing Director of If P&C Insurance (2006 to 2019). CFO of If P&C Insurance Ltd (2002 to 2008). Senior Vice President, Head of Business and Financial Control and Business Area Commercial of If P&C Insurance Ltd (1999 to 2001). Head of Control, Strategic Business Unit Property & Casualty of Skandia P&C (1997 to 1999). Head of Financial Control, Major Customer Division of Trygg-Hansa (1996 to 1997). Financial Controller and Project Manager, Business Unit Commercial of Trygg-Hansa (1994 to 1996).

Chairman of the Board of Directors of Topdanmark A/S. Member of the Boards of Directors of If P&C Insurance Holding Ltd (publ). Member of the Board of Directors of Nordax AB (publ).

The business address of the persons mentioned above is Fabianinkatu 27, FI-00100 Helsinki, Finland.

To the best of the Issuer's knowledge, there are no conflicts of interest between any of the Sampo Group Executive Committee members' duties to the Issuer and their private interests or duties.

Employees

On 31 December 2019, Sampo Group employed 9,927 people, compared with 9,582 employees on 31 December 2018. If employed on average 70 per cent., Topdanmark 24 per cent. and Mandatum Life approximately 6 per cent. of the personnel, and the Issuer, less than one per cent. of the personnel.

Selected Financial Information relating to the Issuer

The following tables set out in summary form balance sheet and income statement information relating to the Issuer. Such information is extracted without material adjustment from the audited consolidated financial statements of the Issuer as at and for the years ended 2019 and 2018. The financial statements of the Issuer are prepared in accordance with International Financial Reporting Standards, as adopted by the commission of the EU. Such financial statements, together with the reports of Ernst & Young Oy and the accompanying notes, are incorporated by reference in this Base Prospectus. The financial

information presented below should be read in conjunction with such financial statements, reports and the notes thereto.

Consolidated Comprehensive Income Statement

EUR million	1-12/2019	1-12/2018
Insurance premiums written	8,749	7,907
Net income from investments	2,515	-104
Other operating income	60	244
Claims incurred	-5,466	-5,015
Change in liabilities for insurance and investment contracts	-2,919	-85
Staff costs	-897	-855
Other operating expenses	-653	-627
Finance costs	-13	-18
Share of associates' profit/loss	321	647
Valuation loss on dividend distribution of associate shares	-155	-
Profit before taxes	1,541	2,094
Taxes	-304	-317
Profit for the period	1,237	1,778
Other comprehensive income for the period		
Items reclassifiable to profit and loss		
Exchange differences	-39	-97
Available-for-sale financial assets	566	-739
Share of associate's other comprehensive income	-30	-61
Taxes	-123	159
Total items reclassifiable to profit or loss, net of tax	373	-739
Items not reclassifiable to profit or loss		
Actuarial gains and losses from defined pension plans	-58	-6
Taxes	13	1
Total items not reclassifiable to profit or loss, net of tax	-45	-5
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,565	1,034
Profit attributable to		
Owners of the parent	1,130	1,687
Non-controlling interests	107	91
Total comprehensive income attributable to		
Owners of the parent	1,458	943
Non-controlling interest	107	91
Earnings per share (EUR)	2,04	3,04

Consolidated Balance Sheet

EUR million	12/2019	12/2018
Assets		
Property, plant and equipment	302	162
Investment property.....	679	665
Intangible assets	2,151	2,143
Investments in associates.....	7,217	8,065
Financial assets.....	23,443	22,693
Investments related to unit-linked insurance contracts	12,975	10,671
Tax assets	19	24
Reinsurers' share of insurance liabilities	289	294
Other assets	2,185	2,263
Cash and cash equivalents.....	2,677	2,361
Total assets.....	51,939	49,340
Liabilities		
Liabilities for insurance and investment contracts	18,041	18,415
Liabilities for unit-linked insurance and investment contracts.....	14,368	11,390
Financial liabilities	1,202	4,711
Tax liabilities	3,592	487
Provisions.....	587	18
Employee benefits.....	20	51
Other liabilities	99	1,254
Total liabilities	39,396	36,326
Equity		
Share capital	98	98
Reserves	1,530	1,530
Retained earnings.....	10,062	10,944
Other components of equity	217	-186
Equity attributable to owners of the parent	11,908	12,386
Non-controlling interests.....	635	628
Total equity	12,542	13,014
Total equity and liabilities	51,939	49,340

Capital position and solvency

The Sampo Group regulatory capital requirements and own funds are calculated under the Solvency II Directive. Until 21 October 2019, Sampo Group also calculated the group solvency under the Directive 2002/87/EC of the European Parliament and of the Council of 16 December 2002 on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate (the "**Conglomerate Directive**"). In connection with the extra dividend which Sampo plc distributed in the form of Nordea shares in August 2019, Sampo plc filed an application with the Finnish Financial Supervisory Authority for the termination of the Financial and Insurance Conglomerate (FICO) rules. The application was approved on 21 October 2019. The conglomerate solvency ratio was reported for the last time on 30 September 2019 and going forward Sampo Group's solvency will be calculated only under the Solvency II rules. Further, as a result of the extra dividend which Sampo plc distributed in the form of Nordea shares in August 2019, Nordea was deconsolidated from the Solvency II own funds and SCR of Sampo Group and is as of 30 September 2019 treated as an equity investment for purposes of Sampo Group's solvency under the Solvency II Directive. For the avoidance of doubt, for the purposes of the Conditions, only the regulatory capital requirement and own funds under the Solvency II Directive are relevant, and not those of the Conglomerate Directive. In the next sections all concepts, figures and ratios are based on the Solvency II Directive, unless otherwise stated.

Solvency II Directive

Solvency II is a regulatory framework for insurance companies and groups where solvency capital requirements and own funds are risk-based and based on economic valuation principles. According to the Solvency II regulation, Sampo Group is subject to two regulatory intervention points. The first intervention point is the ratio of eligible own funds to group solvency capital requirement ("**SCR**") including other financial sectors and the undertakings included via deduction and aggregation ("**Sampo Group ratio of eligible own funds to group SCR**"). The second intervention point is the ratio of eligible own funds to minimum consolidated group SCR ("**Sampo Group ratio of eligible own funds to minimum consolidated group SCR**"). The Solvency II standard formula is applied for Sampo Group as well as all its subsidiaries when calculating their SCRs, which contribute to the consolidated group SCR. If P&C and Topdanmark apply a partial internal model for part of their business (mainly non-life underwriting risks) when calculating their own SCR's.

Sampo Group ratio of eligible own funds to group SCR

Sampo Group's own funds for deriving its ratio of eligible own funds to group SCR are calculated from its consolidated Solvency II balance sheet. Asset and liabilities are valued in accordance with article 75 of the Solvency II Directive. This means that the values are determined at the amount for which the assets could be exchanged and the liabilities could be transferred or settled, between knowledgeable willing parties in an arm's length transaction (i.e. on an economic value basis). Transitional measures are applied on Mandatum Life's technical provisions in respect of original pension policies with 3.5 per cent. and 4.5 per cent. guarantee rates. Also, the volatility adjustment is applied when calculating Mandatum Life's technical provisions. Topdanmark applies a volatility-adjusted Solvency II interest rate curve as well when calculating its technical provisions.

The Sampo Group's group SCR is calculated through two phases:

- (i) The capital requirement of risks other than foreign exchange-risk and concentration risk are calculated for the consolidated group including the respective standard formula SCRs of the parent company Sampo plc, If Group, Mandatum Life and Topdanmark Group. The company SCRs may include simplifications and other options as applied by them. The capital requirement for foreign exchange-risk and concentration risks are calculated based on group-wide exposures calculated separately for this purpose. With respect to the capital requirement for foreign exchange-risk, translation risk exposures related to the SEK-denominated equity of the If Group and the DKK-denominated equity of the Topdanmark Group are also taken into account. A diversified capital requirement for the consolidated group SCR is then calculated from these risk-specific SCRs. As of 30 September 2019 and onwards, Sampo plc's holding in Nordea is also included in the consolidated group SCR.
- (ii) Sampo plc's portion of capital requirements of NDX Intressenter AB and other related undertakings of the subsidiaries are added to the consolidated group SCR.

Transitional measures are used for equity risk when calculating the Sampo Group's group SCR. As of 31 December 2019, the Sampo Group ratio of eligible own funds to group SCR was 167 per cent.

Prior to 30 September 2019, Sampo's share of Nordea's capital requirement was added to the consolidated group SCR according to the sectoral rules and without any diversification effects and, as a result, the earlier years' solvency positions and ratios are not fully comparable with Sampo Group solvency as of 31 December 2019.

Sampo Group ratio of eligible own funds to minimum consolidated group SCR

Sampo Group's own funds for deriving its ratio of eligible own funds to minimum consolidated group SCR are calculated from the consolidated Solvency II balance sheet including If P&C, Mandatum Life, Topdanmark and Sampo plc. The Sampo Group minimum consolidated group SCR is the sum of the minimum capital requirements ("MCR") of each individual insurance companies of the If Group, Topdanmark Group and Mandatum Life only. As of 31 December 2019, the Sampo Group ratio of eligible own funds to minimum consolidated group SCR was 738 per cent.

As there is no concept of a MCR on a group basis, in accordance with article 331(2)(b) of the Solvency II Delegated Regulation (EU) 2015/35, the MCR applicable to the Sampo Group refers to the minimum consolidated group SCR.

Summary Sampo Group solvency ratios

All operating insurance companies within the Sampo Group met their regulatory solvency capital requirements under Solvency II as of 31 December 2017, 31 December 2018 and 31 December 2019.

Sampo Group eligible own funds, group SCR and minimum consolidated group SCR and their respective ratios as of 31 December 2017, 31 December 2018 and 31 December 2019:

	31 December 2017	31 December 2018	31 December 2019
	<i>(millions of EUR)</i>		
Total eligible own funds to meet the group SCR.....	10,945	10,355	10,210
Group SCR.....	7,000	7,412	6,131
Ratio of eligible own funds to group SCR.....	156%	140%	167%
Total eligible own funds to meet the minimum consolidated group SCR	3,557	2,908	9,180
Minimum consolidated group SCR	1,235	1,132	1,244
Ratio of eligible own funds to minimum consolidated group SCR.....	288%	257%	738%

The Sampo Group's group SCR composition as of 31 December 2017, 31 December 2018 and 31 December 2019:

	31 December 2017	31 December 2018	31 December 2019
	<i>(millions of EUR)</i>		
Consolidated group SCR.....	3,558	3,572	6,031
Nordea ¹²	3,441	3,779	-
NDX Intressenter	-	59	86
Other related undertakings.....	2	2	14
Sampo Group SCR.....	7,000	7,412	6,131

¹² As of 30 September 2019 and onwards, Nordea is part of the Consolidated group SCR as a normal equity holding.

REGULATION

Sampo Group

European Union regulatory framework

The European Union ("EU") has adopted legislation with a view to harmonising the member states' regulation of the insurance industry, thus creating a single European market in this respect. The current framework is known as the Solvency II, and applies to insurance companies, reinsurance companies and insurance groups. The Solvency II Directive is implemented in all countries where the insurance companies within the Sampo Group are licensed. A single passport principle is applicable in the insurance business under the Solvency II Directive. Accordingly, a licence from a competent authority in a member state (the **"home supervisory authority"**) is valid throughout the European Economic Area ("EEA"). A licensed company may carry out its business within the EEA directly or through branches, without any further requirements for authorisations in the countries concerned.

Solvency II Directive

The Solvency II framework replaces previous life, non-life, reinsurance and insurance groups directives. The main aim of the Solvency II framework is to ensure the financial stability of the insurance industry across the EU and protect policyholders through establishing solvency requirements better matched to the true risks of the business. Solvency II adopts a three-pillar approach as adopted in the banking sector in Europe. These pillars are quantitative requirements (Pillar 1); qualitative requirements (Pillar 2); and supervisory reporting and public disclosure requirements (Pillar 3). With Solvency II, economic risk-based solvency requirements across all Member States of the EU have been introduced where insurers' material risks and their interactions are considered.

Under Pillar 1 of Solvency II, insurers are required to hold own funds equal to or in excess of a solvency capital requirement ("**SCR**"). Solvency II rules categorise own funds into three tiers with differing qualifications as eligible available regulatory capital. Under Solvency II, basic own funds are derived from the solvency balance sheet in which the undertaking's assets and liabilities are valued in accordance with the Solvency II regulations. The basic own funds consist of the positive difference between assets and liabilities (including technical provisions), which are reduced by the amount of any own shares held. In addition, qualifying subordinated liabilities are also included in basic own funds. A basic principle of Solvency II is that assets and liabilities are valued on the basis of their economic value. This is the price which an independent party would pay or receive for acquiring the assets or liabilities. The SCR is a risk-based capital requirement which will be determined using either the standard formula (set out in level 2 implementing measures), or, where approved by the relevant supervisory authority, an internal model, or a mixture of both methods (partial internal model). A breach in SCR triggers first level intervention in the supervision of the entity's solvency. In addition to the SCR requirement, there is also the minimum capital requirement which intends to reflect a level of own funds that, where breached, triggers ultimate supervisory action, which may involve a transfer of the entity's liabilities to another issuer, withdrawal of its license or liquidation of its in-force business.

Under Pillar 2 of Solvency II, requirements for insurance companies include requirements to:

- have effective governance systems in place, proportionate to their business;
- meet specific requirements regarding risk management functions, internal controls, data quality controls, internal audit functions, actuarial functions, compliance functions and control over outsourcing arrangements;
- ensure that the directors and officers of insurance companies have the required professional qualifications and expertise;
- integrate effective risk management systems, including strategies, processes and reporting procedures, in order to monitor, manage and report risk exposures;
- conduct an own risk and solvency assessment on a regular basis; and
- be effectively supervised by the national competent authorities.

Under Pillar 3 of Solvency II, extensive and frequent reporting to supervisory authorities, and additional external reporting, is required.

Each individual insurance company within the Sampo Group is subject to the Solvency II requirements.

Anti-Money Laundering Directive

The 4th Anti-Money Laundering Directive (Directive 2015/849 on preventing the use of the financial system for money laundering or terrorist financing, as amended by Directive 2018/843) provides *inter alia* an obligation to apply customer due diligence measures when entering into insurance contracts, i.e. to identify and verify the identity of clients (including the identity of beneficiaries before payment of compensation and of beneficial owners of legal ultimate entity customers), monitor transactions and report suspicious transactions. Breaches of the provisions in the directive may result in administrative sanctions.

TAXATION

The following is a general description of certain Finnish tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Finland or elsewhere. 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. 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.

The Republic of Finland

The comments below are of a general nature based on the Issuer's understanding of current law and practice in Finland. They relate only to the position of persons who are the absolute beneficial owners of the Notes and who are not resident in Finland for tax purposes. They may not apply to certain classes of person such as dealers. Prospective holders of the Notes who are not resident in Finland for tax purposes and are in any doubt as to their personal tax position or who may be subject to tax in any other jurisdiction should consult their professional advisers. It should be noted that the tax laws of Finland may be amended with retrospective application.

Taxation of payments in respect of the Notes

Under present Finnish domestic tax law, payments in respect of the Notes will be exempt from all taxes, duties, fees and imports of whatever nature, imposed or levied by or within the Republic of Finland or by any municipality or other political subdivision or taxing authority thereof or therein, except in the case of a holder of any Note which is liable to such taxes, duties, fees and imports in respect of such Note or Coupon by reason of such holder being connected with the Republic of Finland other than based on the mere holding of such Note or the receipt of income therefrom (i.e. in case the holder is resident in Finland for tax purposes or has a permanent establishment in Finland for tax purposes to which the Notes are attributable).

Finnish capital gains taxes

Holders of Notes who are not resident in Finland for tax purposes and who do not engage in trade or business through a permanent establishment or a fixed place of business in Finland will not be subject to Finnish taxes or duties on gains realised on the sale or redemption of the Notes.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a **foreign financial institution** (as defined by FATCA) 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 may be a foreign financial institution for these purposes. A number of jurisdictions (including Finland) 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 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 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 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 "*Further Issues*" in the relevant Conditions) 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 advisers regarding how these rules may apply to their investment in the Notes.

The proposed financial transaction tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

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

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in 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.

However, the FTT proposal remains subject to negotiation between the 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 BNP Paribas, Citigroup Global Markets Europe AG, Citigroup Global Markets Limited, Danske Bank A/S, Deutsche Bank AG, London Branch and Nordea Bank Abp (the "**Dealers**"). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in an amended and restated dealer agreement dated 3 April 2020, as may be modified and/or supplemented and/or restated from time to time (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 2; TEFRA D or TEFRA C as specified in the relevant Final Terms or neither if TEFRA is specified as not applicable in the relevant Final Terms.*

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes 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 United States 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 and regulations thereunder. The relevant Final Terms will identify whether TEFRA C rules or TEFRA D rules apply or whether TEFRA is not applicable.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree 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 40 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, and such Dealer 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.

In addition, until 40 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.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

Each Dealer has represented, warranted and agreed that and each further Dealer appointed under the Programme will be required to represent, warrant 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, from or otherwise involving the United Kingdom.

Prohibition of Sales to EEA and UK Retail Investors

Unless the relevant Final Terms in respect of any Notes specifies the "Prohibition of Sales to EEA and 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 relevant Final Terms in relation thereto to any retail investor in the EEA or in the UK. 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, "**MiFID II**"); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Belgium

Unless the relevant Final Terms in respect of any Notes specifies the "Prohibition of Sales to EEA and UK Retail Investors" as "Not Applicable", 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.

General

Each Dealer has represented, warranted and agreed that and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. 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.

BENCHMARK REGULATION

Interest and/or other amounts payable under the Notes may be calculated by reference to certain benchmarks.

Details of the administrators of such benchmarks, including details of whether or not, as at the date of this Base Prospectus, each such administrator's name appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmark Regulation (the "**ESMA Benchmarks Register**") are set out below.

Benchmark	Administrator	Administrator appears on ESMA Benchmarks Register?
CIBOR	Danish Financial Benchmark Facility	Yes
EURIBOR	European Money Markets Institute	Yes
NIBOR	Norske Finansielle Referanser	No
STIBOR	Financial Benchmarks Sweden AB	No
		As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmark Regulation apply, such that the Norske Finansielle Referanser and the Financial Benchmarks Sweden AB are not currently required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence).
LIBOR	ICE Benchmark Administration Limited	Yes

GENERAL INFORMATION

Authorisation

1. The establishment and the update of the Programme have been authorised by resolutions of the Board of Directors of the Issuer passed on 20 March 2009, 14 March 2012, 14 March 2017, 12 September 2018 and 18 March 2020. 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.

Legal and Arbitration Proceedings

2. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months prior to the date of this Base Prospectus which may have, or have had in the recent past significant effects on the Issuer's and/or Sampo Group's financial position or profitability.

Significant/Material Change

3. Since 31 December 2019, there has been no material adverse change in the prospects of the Issuer or the Issuer and its Subsidiaries nor any significant change in the financial position or financial performance of the Issuer or the Issuer and its Subsidiaries.

Auditors

4. The consolidated financial statements of the Issuer have been audited without qualification for the years ended 31 December 2019 and 31 December 2018 by Ernst & Young Oy, Elielinaukio 5 B, FI-00100, Helsinki, Finland, members of the Finnish Association of Authorised Public Accountants.

Documents Available

5. Copies of the following documents will, when published, be available for inspection from www.sampo.com for 12 months from the date of this Base Prospectus:
 - (a) the Articles of Association of the Issuer (together with an English translation thereof);
 - (b) the Agency Agreement;
 - (c) the Deed of Covenant;
 - (d) the Programme Manual (which contains the forms of the Notes in global and definitive form);
 - (e) a copy of this Base Prospectus; and
 - (f) any future offering circulars, prospectuses, information memoranda, supplements and Final Terms to this Base Prospectus and any other documents incorporated herein or therein by reference.

The translation referred to above constitutes a direct and accurate translation of the original Finnish language text. The English language information has been provided for information purposes only and, in the event of a discrepancy, the Finnish version shall prevail.

Material Contracts

6. There are no contracts having been entered into outside the ordinary course of any of the Issuer's or a member of the Group's businesses, which are, or may be, material and contain provisions under which the Issuer or any member of the Group has an obligation or entitlement which is, or may be, material to the ability of the Issuer to meet its obligations in respect of the Notes.

Clearing of the Notes

7. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and/or the VPS. The appropriate Common Code and the International Securities Identification Number (ISIN), CUSIP, 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.
8. The Legal Entity Identifier (LEI) code of the Issuer is 743700UF3RL386WIDA22.

Use of Proceeds

9. The net proceeds of the issue of each Tranche of Notes will be used by the Issuer for the general corporate and financing purposes of Sampo Group. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

Yield

10. The yield to maturity 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 a frequency commensurate with the frequency of interest payments as specified in the relevant Final Terms using the relevant issue price. It is not an indication of future yield.

Issuer website

11. The Issuer's website is www.sampo.com. Unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus and has not been scrutinised or approved by the FCA.

Validity of prospectus and prospectus supplements

12. 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.

ALTERNATIVE PERFORMANCE MEASURES

Certain terms used in this Base Prospectus are not recognised financial measures under IFRS (**Alternative Performance Measures** or **APMs**) and may therefore not be considered as an alternative to the financial measures defined in the accounting standards in accordance with generally accepted accounting principles. The Issuer presents APMs because it believes that these and similar measures are used by certain investors, securities analysts and other interest parties as supplemental measures of performance and liquidity. The APMs may differ from company to company and therefore may not be comparable to other similarly titled measures of other companies. The APMs may also have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Issuer's operating results as reported under IFRS. The definitions of the relevant Alternative Performance Measures are set out below.

Debt financing is defined as Sampo plc's issued long-term liabilities plus issued short-term debt securities.

Interest bearing assets is defined as Sampo plc's cash at bank and in hand plus receivables from group companies plus receivables from participating undertakings plus other investment receivables.

Net debt is defined as Sampo plc's issued long-term liabilities plus issued short-term debt securities less cash at bank and in hand less interest-bearing receivables from group companies less interest-bearing receivables from participating undertakings less interest-bearing other investment receivables.

Total investment assets is defined as the total amount of Group's investment assets as presented in the Notes to the Group's financial statements in the Issuer's Board of Directors' Report and Financial Statements for 2018 and 2019 (Note 41 (2018) and 40 (2019), under Development of Investments). The figure includes investment assets of If, Mandatum Life, Topdanmark and Sampo plc except for Mandatum Life's and Topdanmark's assets which cover unit-linked contracts.

Reconciliation of Certain Alternative Performance Measures

The table below sets forth reconciliations of Sampo plc's Debt Financing, Interest bearing assets and Net debt for the years ended 31 December 2019 and 31 December 2018 in accordance with Finnish GAAP:

EUR million	31 December 2019 ¹	31 December 2018 ¹
Long-term liabilities	3,908	3,943
Short-term debt securities	0	124
Debt financing	3,908	4,067
Cash at bank	1,320	1,447
Receivables from Group companies	269	261
Receivables from participating undertakings	90	227
Other receivables	46	24
Interest bearing assets	1,725	1,959
Long-term liabilities	3,908	3,943
Short-term debt securities	0	124
<i>less</i>		
Cash at bank	1,320	1,447
Receivables from Group companies	269	261
Receivables from participating undertakings	90	227
Other receivables	46	24
Net debt	2,183	2,108

¹ Unaudited.

REGISTERED OFFICE OF THE ISSUER

SAMPO PLC
Fabianinkatu 27
FI-00100 Helsinki
Finland

ARRANGER

NORDEA BANK ABP
Satamaradankatu 5
FL-00020 Nordea
Finland

DEALERS

BNP PARIBAS
16, boulevard des Italiens
75009 Paris
France

**CITIGROUP GLOBAL MARKETS
EUROPE AG**
Reuterweg 16
60323 Frankfurt am Main
Germany

**CITIGROUP GLOBAL MARKETS
LIMITED**
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

DANSKE BANK A/S
2-12 Holmens Kanal
DK-1092 Copenhagen K
Denmark

**DEUTSCHE BANK AG, LONDON
BRANCH**
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

NORDEA BANK ABP
Satamaradankatu 5
FL-00020 Nordea
Finland

FISCAL AGENT

CITIBANK, N.A., LONDON BRANCH
Citigroup Centre
25 Canada Square
Canary Wharf
London E14 5LB
United Kingdom

LEGAL ADVISERS

To the Issuer as to English law:

ALLEN & OVERY LLP
One Bishops Square
London E1 6AD
United Kingdom

To the Issuer as to Finnish law:

KROGERUS ATTORNEYS LTD.
Unioninkatu 22
FI-00130 Helsinki
Finland

To the Dealers as to English law:

CLIFFORD CHANCE LLP
10 Upper Bank Street
Canary Wharf
London E14 5JJ
United Kingdom

To the Dealers as to Norwegian law:

ADVOKATFIRMAET BA-HR DA
PO Box 1424 Vika
NO-0117 Oslo
Norway

AUDITORS TO THE ISSUER

ERNST & YOUNG OY
Alvar Aallon Katu 5C
FI-00100 Helsinki
Finland