



NORDEA HYPOTEK AB (PUBL)

Company Description

Medium Term Covered Bonds

ISIN: FI4000577184

29 October 2024

Nordea Hypotek AB (publ) (the “**Issuer**”) may, as described in this Company Description and subject to certain general terms and conditions (as further described herein, the “**General Terms and Conditions**”) and compliance with all relevant laws and regulations, issue debt instruments on a continuous basis in the form of covered bonds (“**Covered Bonds**”). The maximum amount of all Covered Bonds from time to time outstanding under the General Terms and Conditions will not exceed Euro 5,000,000,000, subject to any duly authorised increase. The aggregate principal amount of the Covered Bonds and any other terms and conditions not contained herein, which are applicable to each offering of the Covered Bonds, will be set out in the relevant Pricing Supplement (as defined herein). The Issuer is authorised by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*, the “**Swedish FSA**”) to issue covered bonds in accordance with the Swedish Covered Bonds Act (Sw. *lag (2003:1223) om utgivning av säkerställda obligationer*).

This Company Description supersedes any previous Company Description of the Issuer in respect of Covered Bonds. Any Covered Bonds issued with reference to this Company Description on or after the date of this Company Description are issued subject to the provisions described herein.

The Covered Bonds will have a denomination of at least Euro 100,000. Application has been made to First North Bond Market operated by Nasdaq Helsinki (First North Finland) for the approval of this document as a Company Description and the Covered Bonds issued hereunder to be admitted to the Nasdaq First North Bond Market. The application is subject to the approval by the operator of the Nasdaq First North Bond Market.

Nasdaq First North Bond Market is an MTF, as defined in EU legislation (as implemented in national law), operated by an exchange within the Nasdaq group. Issuers on the Nasdaq First North Bond Market are not subject to all the same rules as issuers on a regulated main market, as defined in EU legislation (as implemented in national law). Instead they are subject to a less extensive set of rules and regulations. The risk in investing in an issuer on Nasdaq First North Bond Market may therefore be higher than investing in an issuer on the main market. The Exchange approves the application for admission to trading.

Investing in Covered Bonds issued by the Issuer involves certain risks. The principal risk factors that may affect the abilities of the Issuer to fulfil its obligations under the Covered Bonds are discussed under "Risk Factors" below.

The Covered Bonds 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, whether in the EEA or elsewhere.

THIS DOCUMENT IS AVAILABLE ONLY TO INVESTORS WHO ARE NON-U.S. PERSONS LOCATED OUTSIDE OF THE UNITED STATES AND MAY NOT BE FORWARDED TO ANY U.S. PERSON OR U.S. ADDRESS.

Important information

In this Company Description in respect of Nordea Hypotek AB (publ), being the Issuer, “**Nordea**” means Nordea Bank Abp, the direct and ultimate parent of the Issuer, and the “**Nordea Group**” means Nordea with all its subsidiaries from time to time (each a “**Group Company**”).

The words and expressions used in this Company Description have the meaning set out in the General Terms and Conditions section below unless stated otherwise herein. This Company Description shall be read together with all documents incorporated by reference (see the section “Information incorporated in the Company Description by reference”), the relevant Pricing Supplement and any amendments or additions to the Company Description.

The Company Description does not constitute an offer or recommendation to subscribe for or acquire Covered Bonds. It is up to each potential investor to make their own assessment of a particular investment into one or more Covered Bonds issued by the Issuer on the basis of the contents of the Company Description, all documents incorporated by reference, the applicable Pricing Supplement and any supplements to the Company Description. It is up to each potential investor to assess the tax consequences that may arise through subscription, acquisition or sale of Covered Bonds and consult tax advisers for such purposes. The Issuer is responsible for the contents of the Company Description. To the Issuer’s knowledge, the information contained in the Company Description corresponds to the actual circumstances and no information that is likely to affect its meaning has been omitted. According to the board of directors’ knowledge, the information contained in the Company Description corresponds to the actual circumstances and no information that is likely to affect its meaning has been omitted. The Company Description has not been reviewed by the Issuer’s auditors.

The Covered Bonds are not a suitable investment for all investors. Investors must determine the suitability of that investment in light of such investor’s own circumstances, and in particular each investor should:

- (a) have sufficient knowledge and experience to be able to make a meaningful and appropriate evaluation of:
 - (i) the relevant Covered Bonds,
 - (ii) the merits and risks of investing in the relevant Covered Bonds; and
 - (iii) the information that is, or has been incorporated by reference, in this Company Description or any additions or supplements to it;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the light of its own financial situation, an investment in the relevant Covered Bonds and the impact that such an investment will have on the investor’s total investment portfolio;
- (c) have sufficient financial resources and liquid assets to bear the risks that an investment in the relevant Covered Bonds entails, including when the currency for the principal or interest payments is different from the currency in which such potential investor’s financial activities are principally denominated;
- (d) fully understand the terms of the relevant Covered Bonds and be well acquainted with the behaviour of relevant indices and financial markets; and
- (e) be able to evaluate (independently or with the help of financial advisors) possible scenarios for economic, financial, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some information in this Company Description is based on the beliefs of the management of the Issuer, as well as assumptions made by and information currently available to the management of the Issuer, and such statements may constitute forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Issuer, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statement. The Issuer does not intend, and does not assume any obligation, to update any forward-looking statement except as may be required by law. All subsequent written and oral forward-looking statements attributable to the Issuer or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Company Description.

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RISK FACTORS

Risk and risk-taking are inevitable parts of investing in the Covered Bonds. There are risks both regarding circumstances linked to the Issuer and those which bear no specific relation to the Issuer. In addition to the other information in this Company Description as well as a general evaluation of external factors, investors should carefully consider the following risk factors before making any investment decision. The occurrence of any of the events discussed below could materially adversely affect the Issuer's and/or the Nordea Group's operations, financial position and results of operations. Moreover, the trading price of the Covered Bonds could decline, and the Issuer may not be able to pay Interest or principal on Covered Bonds when due, and investors could lose all or part of their investment. The risks described below are not the only ones the Issuer and the Nordea Group is exposed to. Additional risks that are not currently known to the Issuer, or that the Issuer currently considers to be immaterial, could have a material adverse effect on the Issuer's and or the Nordea Group's business and the Issuer's ability to fulfil its obligations under the Covered Bonds. The order in which the risks are presented is not intended to provide an indication of the likelihood of their occurrence or of their relative significance.

Risks relating to the Issuer and the Nordea Group

Risks relating to macroeconomic conditions

The Issuer's and the Nordea Group's financial performance is significantly influenced by the general economic conditions in the Nordic markets (Denmark, Finland, Norway and Sweden). In recent years, the economic conditions in the Nordic region have, in general, developed more favourably relative to the rest of Europe, benefiting from generally sound public finances.

Events on the global financial market could have a material adverse effect on the Nordea Group's business, financial condition and results of operations and adversely affect the Nordea Group's ability to access capital and liquidity. For example, the war in Ukraine has had effects globally and disrupted various markets and resulted in severe uncertainty about the development of the economies affected by the outbreak both in Europe and elsewhere. The majority of the Nordea Group's operations are concentrated in the Nordic countries that have been, and are expected to continue to be, exposed to the effects of the war in a similar manner as a number of other European countries. The exact ramifications of the war are highly uncertain and, as of the date of this Company Description, it is difficult to predict the spread or duration of the effects of the war, or their full effect on global and local economies or on the Nordea Group.

Monetary policies in the countries where the Nordea Group operates have also had, and may continue to have, an impact on the Nordea Group's business, financial condition and results of operations. Increased inflation has led to the recent accelerated rise in global interest rates, altering the prolonged period of low interest rates. Interest rate volatility may result in a decrease in the net interest margin of the Nordea Group, which, in turn, could have a material adverse effect on the Nordea Group's business, financial condition and results of operations.

The demand for residential mortgage loans in Sweden is dependent on market interest rates, residential property prices, employment trends, the state of the economy, taxation and other factors that have an influence on the customers' financing requirements. As a result, the Issuer's results of operation are significantly influenced by the general economic condition in the Swedish mortgage markets. As substantially all of the Issuer's mortgage loans currently relate to properties located in Sweden, the Issuer's performance is influenced by the level and the cyclical nature of business activity in Sweden. This is in turn affected by both domestic and international economic and political events. A weakening of the economy in Sweden may have an adverse effect on the Issuer's future results and its ability to perform its obligations under the Covered Bonds.

Should the economic development in Sweden decline, for example as a result of macroeconomic conditions or as a result of high inflation and increased market interest rates, it would have a significant negative effect on the Nordea Group's business, financial condition and results of operations as well as result in difficulties to raise additional capital on conditions which are acceptable to the Issuer. Macroeconomic developments can result in increased regulatory costs for the Nordea Group and the Issuer. Such increased costs can have a negative effect on the value of the Covered Bonds and the Issuer's ability to make payments under the Covered Bonds in accordance with the Conditions.

Credit risks

Investors in Covered Bonds are exposed to a credit risk relating to the Issuer. The Covered Bonds are not guaranteed by Nordea or any other Group Company.

As a mortgage credit institution, the Issuer's business risk principally pertains to credit risk. Credit risk is defined as the potential for loss due to failure of a borrower(s) to meet its obligations to clear a debt in accordance with agreed terms and conditions and can be divided into repayment capacity and recovery position. Repayment capacity is the repayment ability and the customer's financial flexibility and recovery position refers to the potential amount Nordea can recover from a customer in the event of default. The recovery position primarily depends on terms and conditions, collaterals and guarantees. The risks relating to the Issuer's ability to be repaid by counterparties and borrowers are inherent in its business operations. Adverse changes in the credit quality of the Issuer's counterparties and borrowers as the result of a general economic downturn, systemic risks in the financial market or diminishing values of collateral will affect the value of the assets of the Issuer and, as a result, its ability to repay the Covered Bonds. In such situation, there is a material risk that it will be necessary for the Issuer to increase its provisions for expected or actual credit losses beyond what has already been provisioned which may have a material adverse effect on the Issuer's business, financial condition and results. This may in turn affect the secondary market value of the Covered Bonds. This may also affect Issuer's ability to make payments under the Covered Bonds in accordance with the Conditions.

The Issuer lends to private individuals, sole traders, municipalities and other legal entities. The absolute majority of the lending by the Issuer is related to residential mortgages.

Market Risks

The business also contains interest rate risk, primarily due to differences between the terms of the interest periods for funding and for lending. If the interest for the Issuer's funding develops adversely as compared to the interest for its lending this may adversely affect the Issuer's business, financial condition and results. The interest rate risk is mitigated by using hedging instruments and by the Issuer aiming to match interest payments and maturity dates in its funding and lending operations. The Issuer is dependent on a liquid hedging market to mitigate its foreign exchange and interest rate risks. If Issuer is not successful in hedging all of its foreign exchange and interest rate risks or by matching relevant payment flows under its funding and lending, this may adversely affect the Issuer's business, financial condition and results, and the Issuer's ability to make payments under the Covered Bonds in accordance with the Conditions.

Liquidity risks

The maturity profile in the Issuer's lending business is to a large extent longer term than the maturity profile within the Issuer's funding operations. The Issuer is therefore dependent on being able to refinance matured obligations within the funding operations by obtaining new funding in the bond market. The Issuer also funds itself through financing from Nordea. If the financial markets develop negatively, there may be a material negative impact on the Issuer's ability to obtain funding and liquidity on financially reasonable conditions. This may have a material negative impact on the Issuer's business, financial condition and results, and the Issuer's ability to make payments under the Covered Bonds in accordance with the Conditions.

Risk relating to Nordea

The Issuer's business is closely related to Nordea and its businesses in Sweden. Pursuant to the service agreement entered into between the Issuer and Nordea, Nordea will perform a large part of the daily business of the Issuer, including the lending and borrowing of the Issuer. Nordea is also a counterparty under the Issuer's derivative contracts, relating to *inter alia* interest rate risks. Should Nordea cease to provide these services to the Issuer or fail to fulfil its obligations against the Issuer, there is a significant risk that it will have a material negative effect on the Issuer's business, financial condition and results of operations. This may in turn have a negative effect on the value of the Covered Bonds and the Issuer's ability to make payments under the Covered Bonds in accordance with the Conditions.

Operational risks

The business of the Issuer, as all banking business, is subject to operational risks. Operational risks include, among other things, risk related to products and services, lacking internal control, insufficient technical systems, criminal conduct directed against the Issuer and lacking preparedness to any of these. Should the Issuer fail to manage its operational risks, for example by not appropriately identifying material operational risks and implementing sufficient risk controls or taking other measures to reduce the exposure to losses, or that such measures not being sufficient to reduce the risks, or if the Issuer suffers damages if any of the operational risks materialise, there is a significant risk that the results or financial position of the Issuer is adversely effected. This might, in turn, pose a risk to the secondary market value of the Covered Bonds.

Risk relating to competitors

The Issuer faces competition within the Nordic mortgage market, primarily from other Swedish mortgage institutions. Changes to regulations in the financial service sector, as well as the development of digital services and changes to customer behaviour have created a new and more competitive environment with new mortgage providers that benefit from alternative funding sources. Should the competitiveness of the Issuer be reduced or the Issuer not being able to meet this new competition, it can result in the Issuer not being able to attract new customers or keep current customers, resulting in reduced income and posing a significant risk to the financial position of the Issuer.

Bank Recovery and Resolution Directive

The Nordea Group is subject to the Bank Recovery and Resolution Directive (2014/59/EU) (“**BRRD**”) (which was amended by Directive (EU) 2019/879 (“**BRRD II**”) on 27 June 2019 where most of the new rules in BRRD II started to apply mid-2021). The BRRD legislative package establishes a framework for the recovery and resolution of credit institutions and, *inter alia*, requires EU credit institutions to produce and maintain recovery plans setting out the arrangements that are to be taken to restore the long-term viability of the institution in the event of a material deterioration of its financial condition. The legislative amendments have entered into force and have been followed by further amendments, the latest of which entered into force on 1 April 2022.

The BRRD contains a number of resolution tools and powers which may be applied by resolution authorities (in Sweden, the Swedish National Debt Office (Sw. *Riksgäldskontoret*) is the resolution authority) upon certain conditions for resolution being fulfilled. These tools and powers (used alone or in combination) include, *inter alia*, a general power to write down all or a portion of the principal amount of, or interest on, certain eligible liabilities, whether subordinated or unsubordinated, of the institution in resolution and/or to convert certain unsecured debt claims including senior notes and subordinated notes into other securities, which securities could also be subject to any further application of the general bail-in tool. This means that most of such failing institution’s debt (including any Covered Bonds, to the extent that claims in relation to the Covered Bonds are not met out of the assets in the relevant cover pool and thus rank *pari passu* with other unsecured and unsubordinated creditors of the Issuer) could be subject to bail-in, except for certain classes of debt, such as certain deposits and secured liabilities. In addition to the general bail-in tool, the BRRD provides for relevant authorities to have the power, before any other resolution action is taken, to permanently write-down or convert into equity relevant capital instruments at the point of non-viability. Ultimately, the authority has the power to take control of a failing institution and, for example, transfer the institution to a private purchaser or to a publicly controlled entity pending a private sector arrangement. All these actions can be taken without any prior shareholder (or other) approval.

It is not possible to predict exactly how the powers and tools of the Swedish National Debt Office described in the BRRD and the Resolutions Act (Sw. *Lag 2015:1016 om resolution*) (the “**Resolutions Act**”) will affect the Issuer. The powers and tools given to the Swedish National Debt Office are numerous and may, if they are used, have a material adverse effect on the Issuer and the Covered Bonds.

Extensive regulation that is subject to change

The Issuer’s operations are subject to extensive regulation and surveillance that are continuously evolving and changing. The regulatory requirements are generally increasing in the areas in which the Issuer operates as a credit market institution (Sw. *kreditmarknadsbolag*) and issuer of covered bonds. Any significant change in the regulation or supervision to which the Issuer is subject could have a material adverse effect on the Issuer’s business, products and service offering and the value of its assets. Such changes could also result in significant compliance costs and affect the Issuer’s financial performance.

According to current Swedish capital adequacy rules for operations similar to the Issuer’s, the Issuer must meet two parallel capital requirements in the form of risk-based requirements and leverage ratio requirements. The risk-based capital requirement consists of four main components: (i) a minimum requirement of 8 percent of the Issuer’s risk-weighted assets, (ii) a possible specific own funds requirement decided by the Swedish FSA, (iii) a combined buffer requirement which may consist of a buffer related to the Issuer’s status as an Other Systemically Important Institution (“**O-SII buffer**”), a possible systemic risk buffer, a possible countercyclical buffer, and a possible capital conservation buffer, all of which are determined by the Swedish FSA; and (iv) any Pillar 2 guidance that the Swedish FSA notifies to the institution concerned. The leverage ratio requirement is at least 3 percent of the leverage ratio exposure amount and, subject to a decision by the Swedish FSA, an

institution-specific leverage ratio requirement and any Pillar 2 guidance on leverage ratio that the Swedish FSA notifies to the institution concerned.

The Issuer has been identified as an Other Systemically Important Institution by the Swedish FSA since October 19, 2018 which resulted with a decision that the Issuer shall be subject to an additional O-SII buffer requirement of 1 percent of the institution's total risk-weighted exposure amount from December 30, 2022.

As of the date of this Company Description, the Issuer's total capital requirement amounts to the minimum requirement of 8 percent with addition of an O-SII buffer of 1 percent, a capital conservation buffer of 2.5 percent and a countercyclical capital buffer of 2 percent. These capital requirements may be subject to change and new capital requirements above may be imposed on the Issuer in the future. Even if the Issuer meets the current requirements, a failure in this regard in the future could have significant negative effects on the Issuer's operations, its financial results and the value on the secondary market of the Issuer's Bonds.

On 7 January 2020 a new regulatory framework for covered bonds, consisting of a new directive (directive (EU) 2019/2162) and an ordinance amending the CRR (regulation (EU) 2019/2160), entered into effect in the EU. The directive contains rules regarding, *inter alia*, the core characteristics of covered bonds, rules for supervision, and rules for the use of a label for so called European covered bonds. The regulation mainly contains amendments to Article 129 of the CRR which, among other things, sets out the requirements that covered bonds must meet in order to qualify for favourable treatment in accordance with the capital adequacy regulations.

On December 16, 2021, the Swedish government presented proposal 2021/22:76 *Ändrade regler om säkerställda obligationer* on amended rules in LUSO (i.e. the Act (2003:1223) on the issuance of covered bonds) to implement the provisions of the directive in Swedish law. In connection with this, the Swedish FSA also proposed amendments to its regulations and general guidelines (FFFS 2013:1) regarding covered bonds, which among other things implement other parts of the directive. The amendments to LUSO and regulations of the Swedish FSA began to apply on July 8, 2022.

Among several important differences compared to the previous wording of the LUSO is the requirement that the issuing institution ensures that the cover pool contains a liquidity buffer that covers the issuing institution's highest daily cumulative net liquidity outflow for a covered bond for the next 180 days.

Another important change is that the maturity of a covered bond can be extended subject to the approval by the Swedish FSA. Prior to a decision on approval, the Riksbank and the Swedish National Debt Office shall be given the opportunity to submit comments. The Swedish FSA may approve an extension if it is likely that an extension would prevent the issuing institution from becoming insolvent, and if the contractual terms and conditions for the covered bond provide that the maturity may be extended only if approved by the Swedish FSA and under which conditions such approval may be given. The applicable extended maturity date must be stated in the terms and conditions of the covered bond. The liquidity buffer for a covered bond that meets the requirements for maturity extension shall be calculated on the basis of the principal amount as at the extended maturity date set out in the contractual terms.

In addition, certain transitional provisions apply to tap issues of covered bonds issued under the old rules. If the transitional rules are not complied with in respect of a tap issue, it may become subject to the rules under the new version of the LUSO in its entirety. Against this background, although the final form of the new rules has been determined, the Issuer cannot predict what effects the amendments will have over time on the Nordea Group, the Issuer or the Covered Bonds.

These and future changes in Swedish laws, regulations and other rules as well as changes in EU regulations, may negatively affect the Issuer, its financial results and the value on the secondary market of the Covered Bonds.

Risks relating to the Covered Bonds

The investors' market risks

An investor's market risk includes *inter alia* interest rate risks, currency fluctuations or changes of bond prices, which may result in a reduction of the value of the Covered Bonds. For an investor in the Covered Bonds, interest rate risk is the primary market risk. Interest rate risk occurs when payment of interest on assets and liabilities for a period do not coincide. An investment in Covered Bonds with fixed interest rate exposes the investor to risks relating to changes of market interest rates, which may affect the value of the Covered Bonds negatively, as the price of an instrument with fixed interest rates is linked to the difference between the interest rate on the relevant Covered Bonds and the market interest rates. An investment in floating rate Covered Bonds exposes the investor to a risk that a change in market interest rate might decrease the value of the investor's investment in Covered Bonds.

The risk associated with an investment in Covered Bonds will increase with the tenor of the Covered Bonds. Credit risk will become more difficult to determine for Covered Bonds with longer tenor. Longer term bonds will in addition result in higher market risks as the price fluctuations will be greater for Covered Bonds with long tenor compared to Covered Bonds with shorter tenor.

Credit rating

A credit rating awarded to Nordea, another Group Company or Covered Bonds issued by the Issuer may, at any time, be changed or removed. Changes to the credit rating of Covered Bonds may result in a decrease of the market value of such Covered Bonds. Should a credit rating related to Nordea or another Group Company change, this may result in increased financing costs for the Nordea Group, limit its access to financial markets and result in the Nordea Group being required to furnish additional security for its derivative transactions or other hedging arrangements. Hence, a decreased credit rating for a Group Company could indirectly negatively affect the Issuer and poses a significant risk to the business, financial position and results of the Issuer and may, as a result, have a negative effect on the value of the Covered Bonds.

Changes to legislation

The Covered Bonds are governed by Swedish law and may be affected by changes to Swedish or EU laws and regulations. The financial markets are undergoing a constant change and any new laws or regulations, or a change of how existing laws and regulations are applied, as well as the Issuer's efforts to comply with such laws and regulations, may affect how the Terms and Conditions are applied. There is risk that any such changes will have a negative effect on the value of the Covered Bonds.

Secondary market

The Covered Bonds will not necessarily be held by multiple Bondholders nor traded in a significant volume. Therefore, there is a risk that a secondary market for the Covered Bonds will not arise or persist. Following a listing, the price of the Covered Bonds may be affected by a number of factors. Bondholders therefore risk not being able to trade the Covered Bonds on terms that are acceptable to them. An investment in the Covered Bonds shall therefore only be made by investors who can bear the risk of there not arising a secondary market and therefore need to hold the Covered Bonds until the Maturity Date, including as extended (see the Risk factor entitled "*Extended maturity of Covered Bonds*" below).

Benchmark Regulation

In order to ensure the reliability of reference rates, the Benchmark Regulation has applied since 1 January 2018 to regulate, among other things, the provision and use of reference values within the EU. The Benchmark Regulation could have a material impact on any floating interest Covered Bonds, in particular if the methodology or other terms of the applicable Base Rate are changed in order to comply with the terms of the Benchmark Regulation. To mitigate this risk, section 8 (Replacement of Base Rate) of the General Terms and Conditions include provisions that are designed to facilitate a fair transition to a new benchmark. These provisions provide, subject to the more detailed stipulations of this section of the General Terms and Conditions, that, upon an event relating to the continuation, availability or composition of the affected Base Rate, the Issuer shall cause a certain successor or alternative base rate and, in each case, subject to applicable adjustments amendments, to determine and calculate the Base Rate. The application of such adjustments or amendment may result in the Covered Bonds performing differently (which may include payment of a lower Interest Rate) than they would do if the Base Rate would have continued to apply in its current form.

Non-compliance with matching rules

In the event of bankruptcy of the Issuer, the Bondholders (and certain eligible counterparties to derivative contracts) benefit from a priority right in a pool of registered assets (the "**Cover Pool**"). Under the Covered Bonds Act, the Issuer must comply with certain matching requirements, which, *inter alia*, require that the nominal value and the present value of such assets registered to the Cover Pool exceed the nominal value and the present value by at least two per cent, respectively, of the liabilities that relate to the Covered Bonds issued from time to time. In order to comply with these requirements, the Issuer may enter into derivative contracts. To do so, the Issuer is dependent on the availability of derivative counterparties with sufficient credit rating and also on such counterparties fulfilling their contractual obligations.

A breach of the matching requirements prior to the Issuer's bankruptcy in the circumstances where no additional assets are available to the Issuer, or the Issuer lacks the ability to acquire additional assets, could result in the Issuer being unable to issue new covered bonds.

If, following the Issuer's bankruptcy, the relevant Cover Pool ceases to meet the requirements of the Covered Bonds Act (including the matching requirements), and such deviations are not just temporary and minor, the

Cover Pool may no longer be maintained as a unit and the continuous payment under the General Terms and Conditions of the relevant Covered Bonds and derivative contracts will cease. Bondholders would in such case instead benefit from a priority right in the proceeds of a sale of the assets in the Cover Pool in accordance with general bankruptcy rules. This could result in Bondholders receiving payment according to a schedule that is different from that contemplated by the General Terms and Conditions (with accelerations as well as delays) or that Bondholders are not paid in full. Thus, posing a risk that the investors lose all or part of their investment in Covered Bond or do not regain their investment at the times anticipated by the investor, thus prohibiting an investor to invest in other assets with similar returns.

There is also a risk that, as a result of errors, omissions or oversights in its operations, the Issuer does not record all of the assets and funds intended to be included in the cover pool in the register that the Issuer shall maintain in order to achieve the aforementioned preferential right.

Conflicting interests of other creditors

The claims of the Bondholders and derivative counterparties included in the Cover Pool rank *pari passu* with the claims of all other creditors of the Issuer (other than those preferred by law), but have a preferential right against the Cover Pool save for costs incurred in connection with the operation, management, collection and realisation of the Cover Pool which shall be covered before the claims of the Bondholders and claims relating to the fees and the expenses of a bankruptcy estate. In addition, the Bondholders' preferential rights against the Cover Pool rank *pari passu* with the rights of other covered bondholders of the Issuer and any related derivative counterparties.

To the extent that the Bondholders are not fully paid from the proceeds of the liquidation of the assets comprising the Cover Pool, they will be able to apply for the balance of their claims as unsecured creditors of the Issuer and will be entitled to receive payment from the proceeds of the liquidation of the other assets of the Issuer not comprising the Cover Pool. The Bondholders would then rank *pari passu* with any other bondholders, derivative counterparties and the other unsecured, unsubordinated creditors of the Issuer and, as a result, may not receive all amounts owed to them by the Issuer.

Liquidity in the Issuer's bankruptcy

It is believed that neither an insolvent issuer nor its bankruptcy estate would have the ability to issue Covered Bonds. Under the Swedish Covered Bonds Act, (Sw. *lag (2003:1223) om utgivning av säkerställda obligationer*) the bankruptcy administrator (upon the demand or the consent of a supervisor appointed by the Swedish FSA) may, however, raise liquidity through the sale of mortgage loans and other assets in the Cover Pool to fulfil the obligations relating to the Covered Bonds. Further, the bankruptcy administrator (upon the demand or the consent of the supervisor appointed by the Swedish FSA) may take out liquidity loans and enter into other agreements for the purpose of securing liquidity. Counterparties in such transactions will rank *pari passu* with Bondholders and existing derivative counterparties with respect to assets in the Cover Pool. However, there can be no assurance as to the actual ability of the bankruptcy estate to raise post-bankruptcy liquidity, which may result in a failure by the Issuer to make full and timely payments to Bondholders and existing derivative counterparties.

Payment of advance dividends post the Issuer's bankruptcy

In the event of the Issuer's bankruptcy, a bankruptcy administrator could make advance dividend payments (Sw. *förskottsutdelning*) to creditors other than Bondholders. The payment of advance dividends could result in Bondholders not being paid in a timely manner. It is likely that a bankruptcy administrator would only authorise such advance dividend payments if satisfied that the relevant Cover Pool contained significantly more assets than necessary to pay amounts owing to Bondholders before making such payment. Additionally, the Issuer's estate would be entitled to have any advance dividend repaid should the relevant Cover Pool subsequently prove to be insufficient to make payments to the Bondholders as a result of the payment of advance dividends. The right to reclaim advance dividends may also be secured by a bank guarantee or equivalent security pursuant to the Swedish Bankruptcy Act (Sw. *konkurslagen (1987:672)*).

Extended maturity of Covered Bonds

If the maturity date of a Covered Bond may be extended pursuant to the applicable Pricing Supplement of such Covered Bond, the Issuer may, under certain conditions, extend the maturity date for such Covered Bond so that it occurs at the time specified in the Pricing Supplement or, if no such time is specified in the Pricing Supplement, the date falling twelve (12) months after the immediately preceding maturity date. Such maturity date extension is, however, subject to the approval of the Swedish FSA. The approval may be granted if (i) it is likely that an extension may prevent the Issuer from insolvency, and (ii) the terms and conditions of the covered bond make clear (a) that the maturity may be extended only with the approval of the Swedish FSA, (b) the conditions for approval in accordance with (i) and (c) the subsequent later maturity date that applies after an

extension. The Issuer shall notify the Bondholder of a maturity date extension as soon as possible after the Swedish FSA has given its approval. However, any failure to do so does not affect the validity of the extension. From the time between the earlier maturity date and the extended maturity date, the Covered Bond bears interest at a fixed or variable interest rate as stated in the terms and conditions of the instrument. If the maturity date is extended in this way, the Bondholder is entitled to (i) repayment of its Covered Bond only when the extended maturity date occurs and (ii) interest that apply pursuant to the terms and conditions to the period between the immediate immediately preceding and the extended maturity date. Against this background, there is a risk that the Bondholder does not receive the repayment of principal under the Covered Bond on its original maturity date and that the basis for interest payments during the period until the extended maturity date does not equal the interest payments that had applied during the period leading up to the original maturity date.

THE COVERED BONDS

The Covered Bonds

The Covered Bonds will be denominated in Euro and will be continuously issued subject to the Pricing Supplement of each Loan (which will comprise one or more Covered Bonds with the same ISIN code). The Nominal Amount and the Total Nominal Amount of each Loan will be specified in the relevant Pricing Supplement, provided that the Nominal Amount of each Covered Bond will be at least Euro 100,000. The issue price of Covered Bonds may be set at the Nominal Amount or at a discount or a premium compared to the Nominal Amount.

Each Covered Bond will be allocated an ISIN code that will be specified in the relevant Pricing Supplement. The Covered Bonds will also be allocated a trading code upon admission to trading.

Form of the Covered Bonds

The Covered Bonds will be issued in uncertificated and dematerialised book entry form in the Infinity system being part of the book-entry register maintained by Euroclear Finland Oy in accordance with the Finnish Act on the Book-Entry System and Clearing (Fi: *Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta (348/2017)*, as amended) and the Euroclear Finland Rules. No physical securities will be issued. The Covered Bonds are governed by Swedish law and are unilateral promissory notes intended for public trading and coupled with rights of priority in the Issuer's Cover Pool pursuant to the Swedish Covered Bonds Act (Sw. *lagen (2003:1223) om utgivning av säkerställda obligationer*).

Status of the Covered Bonds

The Covered Bonds are constituted by the Conditions. The Issuer undertakes to make payments in relation to the Covered Bonds and to comply with the Conditions. The Covered Bonds, including the obligation to pay interest thereon, constitute direct, general, unconditional, and unsubordinated obligations of the Issuer.

All Covered Bonds issued under this Company Description from time to time and to which the Conditions apply will rank *pari passu* with each other in all respects. The Covered Bonds are secured by the assets in the Issuer's Cover Pool in accordance with the Covered Bonds Act. In short, this means that in the event of the Issuer's bankruptcy, Bondholders holding Covered Bonds (and certain eligible counterparties to derivative contracts entered into for the purpose of matching the financial terms of the assets in the cover pool with those of the Covered Bonds) benefit from a priority right in the assets of the Cover Pool. The Covered Bonds Act further enables such holders (and derivative counterparties) to continue to receive timely payments also following the Issuer's potential bankruptcy, subject to certain conditions being met.

The assets comprising the Cover Pool for the Covered Bonds will change from time to time. The Nordea Group makes portfolio information available to investors on its website: www.nordea.se. For more detailed information regarding the type of assets included in the Cover Pool, loan-to-value ratios and the level of collateralisation, please refer to the section in this document that provides an overview of the Swedish legislation regarding covered bonds.

The payment flows relating to the assets in the Cover Pool, derivative contracts and Covered Bonds shall be such that the Issuer is at all times able to meet its payment obligations towards Bondholders holding Covered Bonds and relevant derivative counterparties. Hence, the assets backing the Covered Bonds have the capacity to produce funds to service any payments due and payable on the Covered Bonds.

The Covered Bonds are freely transferable, but the Bondholders may be subject to purchase or transfer restrictions with regard to covered bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.

Payment

Any payments under or in respect of the Covered Bonds pursuant to the Conditions shall be made to the person who is registered as a Bondholder on the fifth Business Day prior to an Interest Payment Date or other relevant due date, or, in each case, such other Business Day falling prior to a relevant date if generally applicable on the Finnish bond market. The registration of Bondholders shall be made in accordance with the Finnish legislation governing book-entry securities systems and book-entry accounts, as well as the regulations of the CSD.

Interest

As stated in the relevant Pricing Supplement, each Loan will have either a fixed or floating interest rate.

If a Loan is specified as a Loan with a fixed interest rate, the Loan shall bear interest on its Nominal Amount at the interest rate specified in the Pricing Supplement from (but excluding) the Interest Commencement Date up to (and including) the Maturity Date. Interest accrued during an Interest Period is paid in arrears on the relevant Interest Payment Date and is calculated using the day count convention 30/360.

If a Loan is specified as a Loan with floating interest rate, the Loan shall bear interest on its Nominal Amount from (but excluding) the Interest Commencement Date up to (and including) the Maturity Date. The Interest Rate applicable to each respective Interest Period is determined by the Administrative Agent on the respective Interest Determination Date. Interest accrued during an Interest Period is paid in arrears on the relevant Interest Payment Date and is calculated using the day count convention actual/360, or in accordance with another calculation methodology applicable for the relevant Base Rate.

The interest rate for Loans with fixed interest rates will be specified in the relevant Pricing Supplement. The interest rate for Loans with floating interest rate, will be the applicable Base Rate (EURIBOR or a reference rate replacing EURIBOR in accordance with section 8 in the General Terms and Conditions) plus the Margin specified in the relevant Pricing Supplement.

In the event of delay in payment relating to principal and/or interest, default interest shall be paid on the amount due from the due date up to (and including) the day on which payment is made, at an interest rate which corresponds to one week's EURIBOR applicable on the first Business Day in each calendar week during the course of delay plus two percentage points. However, default interest according shall never be lower than the Interest Rate at the due date plus two percentage points. Default interest is not compounded with the principal amount.

Extended Maturity Date

A Loan may be subject to provisions that allow its maturity date to be extended to a time specified in the Pricing Supplement or, if no such time is specified in the Pricing Supplement, the date that falls twelve (12) months after the immediately preceding maturity date. However, this can only be done subject to the approval by the Swedish FSA and provided that such approval may be granted if (i) it is probable that an extension can prevent the Issuer from becoming insolvent, and (ii) the terms and conditions of the covered bond make clear (a) that the maturity may only be extended after the Swedish FSA's approval, (b) the conditions for approval in accordance with (i) and (c) the extended maturity date that applies after an extension. If the maturity date is extended in this manner, the Loan will remain outstanding even after the original maturity date has passed and until the extended maturity date of the Loan. The Loan then carries a variable or fixed interest rate as set out in the terms and conditions of the Loan.

Decisions by Bondholders

The General Terms and Conditions include certain provisions regarding a Bondholders' meeting, which may be held in order to resolve on matters relating to Bondholders' interests. Such provisions allow for designated majorities to bind all Bondholders, including Bondholders who have not participated in or voted at the actual meeting or who have voted differently than the required majority, to decisions that have been taken at a duly convened and conducted Bondholders' meeting. Only persons who were Bondholders as of the end of the fifth Business Day before the Bondholders' Meeting may exercise voting rights at the Bondholders' Meeting, provided that the relevant Covered Bonds are included in the Adjusted Total Nominal Amount.

Admission to trading

The first Tranche of Covered Bonds was issued on 4 July 2024 and subsequently admitted to trading on Nasdaq First North Bond Market on 5 July 2024. The Issuer shall, unless otherwise specified in the Pricing Supplement, apply for the admission of the second Tranche of the Covered Bonds and any future Tranches to trading on the Relevant Market. Following an admission to trading, the Issuer shall take all actions on its part to maintain the admission for as long as any Covered Bonds are outstanding, but no longer than up to and including the last day on which the admission to trading reasonably can subsist, pursuant to the then applicable regulations of the Relevant Market and the CSD.

Prescription

The right to receive payment of the nominal amount shall be statute-barred and become void 10 years from the relevant maturity date (including, as the case may be, the extended maturity date) and the right to receive payment of interest shall be statute-barred and become void 3 years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments that have become statute-barred.

Governing law

Each Loan will be governed by and construed in accordance with Swedish law. Disputes shall be settled by Swedish courts. Stockholm District Court shall be the court of first instance.

CSD

Euroclear Finland Oy, business identity code 1061446-0, Urho Kekkosen katu 5 C, P.O. Box 1110, 00101 Helsinki, Finland, is acting as Central Securities Depository (CSD) and registrar in respect of the Covered Bonds.

Dealers

Nordea Markets (i.e. a unit within Nordea Bank Finland Abp) is acting as Dealer, and subsequently, any other party appointed as Dealer in accordance with these General Terms and Conditions and the CSD Regulations.

Credit ratings

Each Loan is expected to be assigned the credit rating Aaa from Moody's. Moody's is established in the European Union and is registered under the CRA Regulation. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning credit rating agency. Credit ratings are a way of evaluating credit risk, but there are no guarantees that such rating reflects the potential impact of all risks related to an investment in the Covered Bonds. For more information regarding the credit rating, visit www.moody.com.

The Issuer's Swedish programme for covered bonds and other bonds are rated by Moody's and is currently assigned a rating of Aaa. The Issuer's parent Nordea Bank Abp is rated by both Fitch (AA-), Moody's (Aa3) and S&P (AA-).

GENERAL TERMS AND CONDITIONS

GENERAL TERMS AND CONDITIONS

The following general terms and conditions (the “**General Terms and Conditions**”) apply for the continuous issuance by Nordea Hypotek Aktiebolag (Reg. No. 556091-5448) (the “**Issuer**”) of Loans comprising covered bonds (Sw. *säkerställda obligationer*) represented by Covered Bonds. The Issuer may, from time to time, issue Euro denominated Covered Bonds hereunder up to an aggregate maximum outstanding volume of EUR 5,000,000,000.

For each Loan, which is serially numbered, a pricing supplement is prepared that include supplementary terms and conditions (the “**Pricing Supplement**”), which together with these General Terms and Conditions constitute the complete terms and conditions for such Loan (the “**Conditions**”). Pricing Supplement for Loans that are offered to the public will be published on the Issuer’s website (www.nordea.se) and made available at the office of the Issuer. For as long as a Loan is outstanding, the Issuer will keep the General Terms and Conditions and the Pricing Supplement for such Loan available on its website.

1. DEFINITIONS

1.1 In the Conditions, the following expressions shall have the meaning ascribed to them below.

“**Adjusted Total Nominal Amount**” means, for a Loan, the Total Nominal Amount excluding Covered Bonds held by any member of the Nordea Group. Notwithstanding the foregoing, if more than ninety (90) per cent of the Total Nominal Amount is held by members of the Nordea Group, all Covered Bonds held by members of the Nordea Group shall be included in the Adjusted Total Nominal Amount.

“**Adjustment Spread**” means a spread (which may be positive, negative or zero) or a formula or methodology for calculating a spread, or a combination thereof determined in accordance with section 8.2.3, to be applied to a Successor Base Rate or an Alternative Base Rate, the objective of which, in each case, shall be to reduce or eliminate, to the fullest extent reasonably practicable, any transfer of economic value from one party to another as a result of a replacement of the Base Rate.

“**Administrative Agent**” means, in respect of each Loan, (i) if a Loan is issued through two or more Dealers, the Dealer appointed by the Issuer to be responsible for certain administrative tasks in respect of the Loan as set out in the relevant Pricing Supplement, and (ii) if a Loan is issued through only one Dealer, such Dealer.

“**Base Rate Administrator**” means European Money Markets Institute (EMMI) or any persons replacing it as administrator of the Base Rate.

“**Base Rate Amendments**” has the meaning set forth in section 8.2.5.

“**Base Rate Event Announcement**” means a public statement by the Base Rate Administrator or the supervisor of the Base Rate Administrator that any event or circumstance specified in paragraphs (a) to (e) of the definition of Base Rate Event will occur.

“**Base Rate**” means EURIBOR or, following the occurrence of a Base Rate Event, any reference rate replacing EURIBOR in accordance with section 8 (*Replacement of Base Rate*).

“**Base Rate Event**” means that:

- (a) the Base Rate has (i) been permanently or indefinitely discontinued, (ii) ceased to exist or (iii) ceased to be published for at least five (5) consecutive Business Days as a result of the Base Rate ceasing to be calculated or administered;
- (b) the Base Rate Administrator ceases to publish the applicable Base Rate permanently or indefinitely and, at that time, no successor administrator has been appointed to continue to publish the Base Rate;

- (c) the supervisor of the Base Rate Administrator (i) has made a public statement stating that the Base Rate is no longer representative of the underlying market or (ii) is recommending the usage of a Successor Base Rate for the applicable Base Rate;
- (d) the Base Rate Administrator or its supervisor announces that (i) the Base Rate methodology has changed materially after the Issue Date or (ii) the Base Rate may no longer be used, either generally or in respect of the Covered Bonds; or
- (e) it has become unlawful for the Issuer or the Administrative Agent to calculate any payments due to be made to any Bondholder using the applicable Base Rate.

“Bondholder” means the person who is registered in the register maintained by the CSD pursuant to section 3 or 4 of Chapter 4 of the Finnish Book-Entry System Act as direct registered owner (Fin: *omistaja*) or nominee (Fin: *hallintarekisteröinnin hoitaja*) with respect to a Covered Bond.

“Book-Entry Securities System” means the Infinity book-entry system (Fin: *arvo-osuusjärjestelmä*) maintained by the CSD or any other replacing or substituting book-entry securities system.

“Book-Entry System Act” means the Finnish Act on Book-Entry System and Clearing Operations (Fin: *Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta 348/2017*, as amended).

“Business Day” means a day, other than a Saturday, Sunday or public holiday, on which commercial banks and foreign exchange markets are open for general business in Helsinki, if that day is also a TARGET Business Day.

“Covered Bond” means a unilateral promissory note, which is issued by the Issuer in the Book-Entry System Securities System in accordance with the Conditions and coupled with rights of priority in the Issuer’s cover pool pursuant to the Swedish Covered Bonds Act (Sw. *lagen (2003:1223) om utgivning av säkerställda obligationer*).

“Covered Bond Directive” means Directive 2019/2162/EU on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU.

“CSD Regulations” means the regulations, decisions, and operating procedures applicable to and/or issued by the CSD and applicable to the Issuer, the Dealer(s) and the Covered Bonds from time to time.

“CSD” means Euroclear Finland Oy, business identity code 1061446-0, Urho Kekkosen katu 5 C, 00100 Helsinki, Finland (P.O. Box 1110, 00101 Helsinki, Finland) or any entity replacing the same as a central securities depository.

“Dealer” means, initially, Nordea Markets (i.e. a unit within Nordea Bank Abp), and thereafter each other party appointed as Dealer in accordance with these General Terms and Conditions and the CSD Regulations.

“Euro” and **“EUR”** means the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

“TARGET Business Day” means a day on which the TARGET System is operating.

“TARGET System” means the real time gross settlement system T2 operated by the Eurosystem, or any successor system.

“EURIBOR” means, unless and until a Base Rate Event has occurred,

- (a) the applicable percentage rate per annum displayed on Reuters screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Interest Determination Date for the offering of deposits in Euro and for a period comparable to the relevant Interest Period; or
- (b) if no rate as described in (a) is available for the relevant Interest Period, the rate determined by the Administrative Agent by interpolation between the two closest rates displayed on Reuters screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Interest Determination Date for the offering of deposits in Euro; or

- (c) if no rate as described in (b) is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places), as supplied to the Administrative Agent at its request quoted by the Reference Banks, for deposits of EUR 10,000,000 for the relevant period; or
- (d) if no quotation is available pursuant to paragraph (c), the interest rate which according to the reasonable assessment of the Administrative Agent best reflects the interest rate for deposits in Euro offered for the relevant period; and

if any such rate is below zero, EURIBOR will be deemed to be zero.

“Extended Maturity” means an extension of the Maturity Date under Section 6 (*Extended Maturity*) and as stated in the Pricing Supplement.

“Extended Maturity Date” means that if Extended Maturity is specified as "applicable" in the Pricing Supplement in respect of a Covered Bond, the Company may extend the Maturity Date to a date specified in the Pricing Supplement, or if no such date is specified in the Pricing Supplement, the date falling twelve (12) months after the immediately preceding Maturity Date as specified in the Pricing Supplement.

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

“Interest Commencement Date” means, for a Loan, the date specified in the relevant Pricing Supplement.

“Interest Determination Date” means, for Loans with fixed interest rate, the day that falls two Business Days before the first day in each Interest Period.

“Interest Payment Date” means, for a Loan, the date specified in the relevant Pricing Supplement.

“Interest Period” means, for a Loan, the period specified in the relevant Pricing Supplement.

“Interest Rate” means (i) for Loans with a fixed interest rate, the interest rate specified in the relevant Pricing Supplement and (ii) for Loans with floating interest rate, the applicable Base Rate plus the Margin.

“Issue Date” means, for a Loan, the date specified in the Pricing Supplement.

“Loan” means each loan with a separate ISIN code, comprising Covered Bonds with the same ISIN code, which the Issuer issues under the General Terms and Conditions.

“Margin” means, for a Loan with floating interest rate, the margin specified in the relevant Pricing Supplement.

“Maturity Date” means, for a Loan, the date specified in the relevant Pricing Supplement, being the day that the Loan shall be repaid.

“Nominal Amount” means the amount for each Covered Bond that is stated in the relevant Pricing Supplement less any amount repaid, cancelled or written down in accordance with the Conditions or applicable legislation.

“Nordea Group” means Nordea Bank Abp and its subsidiaries from time to time. For the purposes of this definition, “subsidiary” means any Finnish or foreign legal entity (whether incorporated or not), which is a subsidiary (Fin: *tytäryhteisö*) to Nordea Bank Abp, directly or indirectly, as defined in the Finnish Companies Act (Fin: *Osaakeyhtiölaki* 624/2006, as amended).

“Record Date” means the fifth Business Day prior to an Interest Payment Date or other relevant due date, or, in each case, such other Business Day falling prior to a relevant date if generally applicable on the Finnish bond market.

“Reference Banks” has the meaning given in the relevant Pricing Supplement or, if none, four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer on the advice of an investment bank of international repute.

“Relevant Market” means Nasdaq First North Bond Market maintained by Nasdaq Helsinki Ltd.

“Relevant Nominating Body” means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee of any of them or the Financial Stability Board or any part thereof.

“Successor Base Rate” means a screen or benchmark rate which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body.

“Total Nominal Amount” means, for a Loan, the total aggregate Nominal Amount of the Covered Bonds outstanding at the relevant time.

1.2 In the Conditions:

- (a) if an expression or term is stated in these General Terms and Conditions to have the meaning given in the relevant Pricing Supplement, but the relevant Pricing Supplement gives no such meaning or specifies that such expression or term is "Not Applicable" then such expression or term is not applicable to the Covered Bonds to which the Pricing Supplement apply;
- (b) in the case of conflict between the General Terms and Conditions and the Pricing Supplement, the latter shall prevail in respect of the Covered Bonds to which such Pricing Supplement apply; and
- (c) references to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modifications or re-enactments thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

2. RAISING OF LOANS, LOAN AMOUNT, DENOMINATION AND PAYMENT COMMITMENT

- 2.1 The Total Nominal Amount for each Loan will be determined when the sale of the Covered Bonds in such Loan has been completed and shall be represented by Covered Bonds each with the denomination in Euro specified in the relevant Pricing Supplement. The Covered Bonds have rights of priority in the Issuer's cover pool pursuant to the Swedish Covered Bonds Act (Sw. *lagen (2003:1223) om utgivning av säkerställda obligationer*).
- 2.2 The Issuer undertakes to repay the principal and to pay interest in respect of each Loan in accordance with the Conditions.
- 2.3 In subscribing for Covered Bonds, each initial Bondholder accepts that its Covered Bonds shall have the rights, and be subject to the conditions, stated in the Conditions. In acquiring Covered Bonds, each new Bondholder confirms such acceptance.
- 2.4 Covered Bonds subscribed and paid for shall be entered to the respective book-entry accounts of the subscribers on the date set out in the Pricing Supplement in accordance with Finnish legislation governing the book-entry system, clearing operations, and book-entry accounts as well as the CSD Regulations. Each Covered Bond is freely transferable after it has been registered into the respective book-entry account.

3. INTEREST

- 3.1 The relevant Pricing Supplement shall state the relevant interest structure using one of the following alternatives:

- (a) Fixed interest rate

If a Loan is specified as a Loan with fixed interest rate, the Loan shall bear interest on its Nominal Amount at the Interest Rate from (but excluding) the Interest Commencement Date up to (and including) the Maturity Date. Interest accrued during an Interest Period is paid in arrears on the relevant Interest Payment Date and is calculated using the day count convention 30/360.

(b) Floating interest rate

If a Loan is specified as a Loan with floating interest rate, the Loan shall bear interest on its Nominal Amount from (but excluding) the Interest Commencement Date up to (and including) the Maturity Date. The Interest Rate applicable to each respective Interest Period is determined by the Administrative Agent on the respective Interest Determination Date. Interest accrued during an Interest Period is paid in arrears on the relevant Interest Payment Date and is calculated using the day count convention actual/360, or in accordance with another calculation methodology applicable for the relevant Base Rate.

- 3.2 In respect of a Loan that is subject to an Extended Maturity, interest shall be determined by the Administrative Agent and payable by the Issuer in accordance with Section 6 (*Extended Maturity Date*).
- 3.3 If the calculation of the interest rate results in a value lower than zero, the interest rate shall be considered to be zero.

4. REGISTRATION OF THE COVERED BONDS

- 4.1 The Covered Bonds will be issued in dematerialised form in the Book-Entry Securities System in accordance with the Book-Entry System Act and the CSD Regulations. No physical notes will be issued.
- 4.2 Notwithstanding any secrecy obligation, the Issuer shall, subject to the CSD Regulations and applicable laws, be entitled to obtain information of the Bondholders, their contact details, and their holdings of the Covered Bonds registered in the Book-Entry Securities System. from the CSD and the CSD shall be entitled to provide such information to the Issuer. Furthermore, the Issuer shall, subject to the CSD Regulations and applicable laws, be entitled to acquire from the CSD a list of Bondholders, provided that it is technically possible for the CSD to maintain such a list.
- 4.3 For Covered Bonds registered in the name of a nominee in accordance with the Book-Entry System Act, the nominee shall be regarded as the Bondholder under the Conditions.

5. PAYMENTS

- 5.1 Unless otherwise specified under Section 6, a Loan falls due for repayment on the Maturity Date. Interest shall be paid on each Interest Payment Date in accordance with the relevant Pricing Supplement.
- 5.2 Any payments under or in respect of the Covered Bonds pursuant to the Conditions shall be made to the person who is registered as a Bondholder at the relevant Record Date prior to an Interest Payment Date, the Maturity Date, or another relevant due date in accordance with the Finnish legislation governing the Book-Entry Securities System and book-entry accounts as well as the CSD Regulations.
- 5.3 Should an Interest Payment Date, the Maturity Date, or another relevant due date (as applicable) occur on a day that is not a Business Day, the relevant payment shall be made,
- (a) for Loans with fixed interest rate, on the next following Business Day provided, however, that interest in this regard is only paid up to and including the relevant due date; and
 - (b) for Loans with floating interest rate, on the next following Business Day, provided that such Business Day does not occur in a new month in which case the relevant interest payment shall be made on the first preceding Business Day instead.
- 5.4 If, due to any obstacle affecting the CSD, the Issuer cannot make a payment, such payment may be postponed until the obstacle has been removed. Any such postponement shall not affect the Record Date.

6. EXTENDED MATURITY DATE

- 6.1 If an Extended Maturity Date is specified as applicable in the Pricing Supplement of a Covered Bond, the Issuer may extend the Maturity Date to a time specified in the Pricing Supplement, or if no such time is specified in the Pricing Supplement, the date that falls twelve (12) months after the immediately preceding Maturity Date, in each case subject to:
- (a) such extension being approved by the Swedish Financial Supervisory Authority (the “SFSA”) as a result of it being deemed likely that the extension will prevent insolvency (Sw. *obestånd (insolvens)*) of the Issuer or otherwise as a result of a trigger of the maturity event(s) stipulated in the Swedish Covered Bonds Act or any other legislation that implements Article 17.1 (a) of the Covered Bond Directive; and
 - (b) the Pricing Supplement specifying the date being the Extended Maturity Date.
- 6.2 If the SFSA has approved the extension of the Maturity Date as set out above, the Issuer shall notify the Bondholders as soon as possible thereafter. However, any failure to do so or will not in any event affect the validity or effectiveness of the Extended Maturity Date nor give any Bondholder any right to receive any payment of interest, principal or otherwise with respect to the relevant Covered Bonds other than as expressly set out in these General Terms and Conditions.
- 6.3 For each Interest Period after the original Maturity Date, interest shall be paid on the Bond Loan in accordance with these General Terms and Conditions with the interest rate provisions specified in the Pricing Supplement and the General Terms and Conditions as applicable until the Extended Maturity Date. For each Interest Due Date and Interest Period from the immediately preceding Maturity Date until the Extended Maturity Date, the Interest Rate, the Margin and the Interest Determination Date specified in the Pricing Supplement shall apply.
- 6.4 The fact that the Issuer extends the Maturity Date as described above shall not be considered a default in payment in accordance with these General Terms and Conditions, nor shall it otherwise result in the Company being considered to have breached any obligation or commitment with regard to any Covered Bond.

7. DEFAULT INTEREST

- 7.1 In the event of delay in payment relating to principal and/or interest, default interest shall be paid on the amount due from the due date up to (and including) the day on which payment is made, at an interest rate which corresponds to one week’s EURIBOR applicable on the first Business Day in each calendar week during the course of delay plus two percentage points (except that, in respect of a Loan that is subject to an Extended Maturity, the penalty interest shall be calculated and payable on the amount due from the Extended Maturity Date). However, default interest according to this section 7.1 shall never be lower than the Interest Rate at the due date plus two percentage points. Default interest is not compounded with the principal amount.
- 7.2 If the delay is due to an obstacle of the kind set out in section 14.1 on the part of the Dealer(s) or the CSD, or is otherwise out of control of the Issuer, no default interest shall apply, in which case the rate of interest which applied to the relevant Loan on the relevant due date shall apply instead.

8. REPLACEMENT OF BASE RATE

8.1 General

- 8.1.1 Any determination or election to be made by an Independent Adviser, the Issuer or the Bondholders in accordance with the provisions of this section 8 shall at all times be made by such Independent

Adviser, the Issuer or the Bondholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.

- 8.1.2 If a Base Rate Event has occurred, this section 8 (*Replacement of Base Rate*) shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of EURIBOR.

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

- 8.2.1 Without prejudice to section 8.2.2, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate or an Alternative Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer's expense appoint an Independent Adviser to determine a Successor Base Rate or, if there is no Successor Base Rate, an Alternative Base Rate and, in each case, the Adjustment Spread and any Base Rate Amendments for purposes of determining and calculating the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to section 8.2.2.

- 8.2.2 If (i) a Base Rate Event has occurred or (ii) a Base Rate Event Announcement has been made and the announced Base Rate Event will occur within six (6) months, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer's expense, appoint an Independent Adviser to determine, as soon as commercially reasonable, a Successor Base Rate or (if there is no Successor Base Rate) an Alternative Base Rate and, in each case, the Adjustment Spread and any Base Rate Amendments for purposes of determining and calculating the applicable Base Rate.

- 8.2.3 If the Issuer fails to appoint an Independent Adviser in accordance with section 8.2.2, the Bondholders shall, if so decided at a Bondholder's Meeting, be entitled to appoint an Independent Adviser (at the Issuer's expense) for the purposes set forth in section 8.2.2.

- 8.2.4 The Adjustment Spread determined by the Independent Adviser in accordance with section 8.2.1 or 8.2.2 shall be the Adjustment Spread which,

- (a) is formally recommended in relation to the replacement of the Base Rate by any Relevant Nominating Body; or
- (b) if paragraph (a) above does not apply, the Independent Adviser determines is customarily applied to the relevant Successor Base Rate or Alternative Base Rate (as applicable), in comparable debt capital markets transactions.

- 8.2.5 The Independent Adviser shall also determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or an Alternative Base Rate or to reflect the adoption of such Successor Base Rate or Alternative Base Rate in a manner substantially consistent with market practice ("**Base Rate Amendments**").

- 8.2.6 Provided that a Successor Base Rate or (if there is no Successor Base Rate) an Alternative Base Rate and, in each case, the applicable Adjustment Spread and any Base Rate Amendments have been determined no later than ten (10) Business Days prior to the relevant Interest Determination Date in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period.

8.3 Interim Measures

- 8.3.1 If a Base Rate Event has occurred but no Successor Base Rate or Alternative Base Rate and Adjustment Spread have been determined at least ten (10) Business Days prior to the relevant Interest Determination Date in relation to the next succeeding Interest Period, the Interest Rate applicable to the next succeeding Interest Period shall be,

- (a) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or

- (b) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.

8.3.2 For the avoidance of doubt, section 8.3.1 shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided, in this section 8.

8.4 Notices etc.

The Issuer shall promptly following the determination by the Independent Adviser of any Successor Base Rate, Alternative Base Rate, Adjustment Spread and any Base Rate Amendments give notice thereof to the Administrative Agent, any other Dealer and the Bondholders in accordance with section 10 (*Notices*), and to the CSD.

8.5 Variation Upon Replacement of Base Rate

8.5.1 No later than when giving notice pursuant to section 8.4, the Issuer shall deliver to the Administrative Agent a certificate signed by two authorised signatories of the Issuer:

- (a) confirming that (i) a Base Rate Event has occurred, (ii) the relevant Successor Base Rate or Alternative Base rate and (in either case) the applicable Adjustment Spread (if any), and (iii) any Base Rate Amendments, in each case as determined in accordance with the provisions of this section 8; and
- (b) certifying that the Base Rate Amendments are necessary to ensure the proper operation of such Successor Base Rate or Alternative Base Rate and (in either case) the applicable Adjustment Spread (if any).

8.5.2 The Administrative Agent and any other Dealer shall be entitled to rely on such certificate referred to in section 8.5.1 without further enquiry and without liability to any person. The Successor Base Rate or Alternative Base Rate and (in either case) the applicable Adjustment Spread (if any) and any Base Rate Amendments specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Base Rate or Alternative Base Rate and any Base Rate Amendments and without prejudice to the Administrative Agent's or any other Dealer's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Administrative Agent, any other Dealer(s) and the Bondholders.

8.5.3 Subject to receipt by the Administrative Agent of the certificate referred to in section 8.5.1, the Issuer and the Administrative Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Bondholders, without undue delay effect such amendments to the Conditions as may be required by the Issuer in order to give effect to this section 8 (*Replacement of Base Rate*).

8.5.4 The Administrative Agent shall always be entitled to consult with external experts prior to amendments are effected pursuant to this section 8 (*Replacement of Base Rate*). Neither the Administrative Agent nor any other Dealer shall be obliged to concur if in the reasonable opinion of the Administrative Agent or such Dealer (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Administrative Agent or such Dealer under the Conditions.

8.6 Limitation of Liability for the Independent Adviser

Any Independent Adviser appointed pursuant to section 8.2 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with the Conditions, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

9. PRESCRIPTION

- 9.1 Claims for the repayment of principal of a Loan shall be prescribed and become void ten (10) years after the relevant Maturity Date (or the Extended Maturity Date, as applicable). Claims for the payment of interest shall be prescribed and become void three (3) years after the relevant Interest Payment Date. Upon prescription, the Issuer shall be entitled to keep any funds that may have been reserved for such payments.
- 9.2 If the prescription period is duly interrupted in accordance with the Swedish Limitations Act (Sw. *preskriptionslagen* (1981:130)), a new prescription period of ten (10) years will commence for claims in respect of principal and three (3) years for claims in respect of interest amounts, in both cases calculated from the day indicated by provisions laid down in the Swedish Limitations Act concerning the effect of an interruption of the limitation period.

10. NOTICES

- 10.1 Notices shall be provided to Bondholders for the relevant Loan at the address registered with the CSD on a Business Day falling no earlier than five (5) Business Days before dispatch.
- 10.2 The Issuer shall advise Bondholders of matters relating to the Covered Bonds by a stock-exchange release and a notice published on the Issuer's website at www.nordea.se. The Issuer may and shall, if required by the CSD Regulations or applicable laws, also deliver notices relating to the Covered Bonds in writing directly to the Bondholders at the address appearing on the list of the Bondholders provided by the CSD through the CSD's book-entry securities system or account operators of the relevant book-entry system on a Business Day falling no earlier than five (5) Business Days before dispatch.

11. CHANGES TO TERMS, ETC.

- 11.1 The Issuer has the right to make such adjustments of these General Terms and Conditions that have been approved at a Bondholders' Meeting or that have been approved by all Bondholders. The Issuer shall promptly notify the Bondholders of such changes in accordance with section 10 (*Notices*).
- 11.2 The Issuer and the Dealers may, without the Bondholders' consent, agree on adjustments to correct any clear and manifest errors in these General Terms and Conditions and in Pricing Supplement, or make adjustments that are necessary in the light of mandatory legislation or regulations. Furthermore, the Issuer may, without the Bondholders' consent, increase or decrease the number of Dealers, and also replace a Dealer with another institute.

12. BONDHOLDERS' MEETING

- 12.1 The Administrative Agent shall, at the written request of the Issuer, or from Bondholders that (at the time of such request) represent at least ten (10) per cent of the Adjusted Total Nominal Amount under a particular Loan, convene a Bondholders' Meeting for the Bondholders under the relevant Loan. A Bondholders' Meeting shall be held at least twenty (20) Business Days after the date of the notice of the meeting. The notice of the meeting shall be made in accordance with sections 10 (*Notices*) and 12.2.
- 12.2 The notice of the meeting shall include (i) time for the meeting, (ii) place for the meeting, (iii) a specification of the Record Date on which a person must be registered as a Bondholder in order to be entitled to exercise voting rights, (iv) a form of power of attorney, and (v) the agenda for the meeting. In the event that voting can take place via an electronic voting procedure, the details regarding this must be clearly stated in the notice. The reasons for, and contents of each proposal, as well as any applicable conditions and conditions precedent, shall be specified in the notice. Should

prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, information about such requirement shall be included in the notice.

- 12.3 The meeting shall be initiated by the appointment of a chairman. The Administrative Agent appoints the chairman unless the Bondholders' Meeting decides differently. Board members, the chief executive officer, and other senior officials of the Issuer as well as the Issuer's auditors and advisors have the right to participate at the Bondholders' Meeting in addition to the Bondholders, their representatives and advisors and the Administrative Agent. Authorised agents shall present a duly issued power of attorney which shall be approved by the chairman.
- 12.4 The Administrative Agent shall make sure that there is a written list of the Bondholders as of the end of the fifth Business Day before the Bondholders' Meeting.
- 12.5 The chairman shall compile a list of present Bondholders with voting rights ("**Voting List**"). The Voting List shall include information on the share of the Adjusted Total Nominal Amount that each Bondholder represents. Only persons who were Bondholders as of the end of the fifth Business Day before the Bondholders' Meeting may exercise voting rights at the Bondholders' Meeting, provided that the relevant Covered Bonds are included in the Adjusted Total Nominal Amount, and only such Bondholders shall be included in the Voting List. Persons who have cast their vote by electronic voting procedure, ballot paper or equivalent shall, for the purposes of these provisions, be deemed to be present at the meeting. The Voting List shall be approved by the Bondholders' Meeting.
- 12.6 The chairman shall ensure that minutes are kept at the Bondholders' Meeting. The minutes shall include notes as to the participants, the issues dealt with, the voting results and the decisions that were made. The minutes shall be signed by the chairman and at least one person (appointed by the chairman unless the Bondholders' Meeting decides differently) at the Bondholders' Meeting to approve the minutes and shall thereafter be delivered to the Administrative Agent. The minutes shall at the request of a Bondholder be sent to it by the Administrative Agent. New or revised General Terms and Conditions or Pricing Supplement shall be appended to the minutes and sent to the CSD by the Administrative Agent or by any party appointed by the Administrative Agent. The minutes shall be kept by the Administrative Agent.
- 12.7 A Bondholders' Meeting is quorate if Bondholders representing at least twenty (20) per cent of the Adjusted Total Nominal Amount under the relevant Loan is present at the Bondholders' meeting.
- 12.8 However, for the following types of decisions, the Bondholders' Meeting is only quorate if Bondholders representing at least fifty (50) per cent of the Adjusted Total Nominal Amount are present the Bondholders' Meeting ("**Extraordinary Resolution**"):
 - (a) a change of Maturity Date, reduction of Nominal Amount, changes in terms relating to interest or amount to be repaid, change in the specified currency of the Loan (unless this is required by law), and change of the Loan's status in terms of preferential rights (Sw. *Förmånsrätt*);
 - (b) a transfer by the Issuer of its rights and obligations under the Loan;
 - (c) a mandatory exchange of Covered Bonds for other securities; and
 - (d) a change to the terms of this section 12.
- 12.9 If a Bondholders' Meeting is not quorate within thirty minutes from the scheduled time for the Bondholders' Meeting, the meeting shall be adjourned to the day falling one week later (or, if that day is not a Business Day, the next Business Day). If the meeting has reached a quorum for certain but not all the issues to be decided at the meeting, the meeting shall be adjourned after decisions have been made on matters for which there is a quorum. Notice that the Bondholders' Meeting has been adjourned and information on time and place for the continued meeting shall be sent out by the Administrative Agent. When the adjourned Bondholders' Meeting is resumed, the Bondholders' Meeting is entitled to make decisions, including Extraordinary Resolutions, if Bondholders who represent at least ten (10) per cent of the Adjusted Total Nominal Amount (according to the written

list of Bondholders to be provided in accordance with section 12.5) are present at the meeting. The resumption of the meeting shall begin with the chairman drawing up a new Voting List (according to the same principles as stated in section 12.5 and on the basis of the list of Bondholders to be provided in accordance with that section). Only Bondholders who are included in such a new Voting List are entitled to exercise voting rights at the meeting. A Bondholders' Meeting can only be adjourned once.

- 12.10 A decision made at a Bondholders' Meeting is binding on all Bondholders under the relevant Loan irrespective of whether they are represented at the Bondholders' Meeting. Bondholders that do not vote for a decision shall not be liable for losses that the decision causes to other Bondholders.
- 12.11 The Administrative Agent's reasonable costs and expenses occasioned by a Bondholders' Meeting, including reasonable payment to the Administrative Agent, shall be borne by the Issuer.
- 12.12 A request for a Bondholders' Meeting shall be sent to the Issuer at the address below. Such notice must indicate that the matter is urgent.

Nordea Hypotek Aktiebolag
C/O L8300
105 71 Stockholm

- 12.13 The Administrative Agent shall notify the Issuer Agent (if applicable) and the CSD of Bondholders' Meetings in accordance with section 12.2, the CSD Regulations, and applicable legislation. The Administrative Agent shall also notify the Issuer Agent (if applicable) and the CSD of resolutions passed at Bondholders' Meetings in accordance with the CSD Regulations and applicable legislation.

13. ADMISSION TO TRADING

The Issuer shall, unless otherwise specified in the Pricing Supplement, apply for the Covered Bonds to be admitted to trading on the Relevant Market. Following an admission to trading, the Issuer shall take all actions on its part to maintain the admission for as long as any Covered Bonds are outstanding, but no longer than up to and including the last day on which the admission to trading reasonably can, pursuant to the then applicable regulations of the Relevant Market and the CSD, subsist.

14. LIMITATION OF LIABILITY ETC.

- 14.1 With regards to the obligations imposed on the Issuer, the Dealer(s) and the CSD, respectively, the parties shall not be held liable for any losses arising out of any Swedish or foreign legal enactment, or any measure undertaken by a Swedish or foreign public authority, or war, strike, blockade, boycott, lockout or any other similar circumstance. The reservation in respect of strikes, blockades, boycotts and lockouts applies even if the party concerned itself takes such measures or is subject to such measures.
- 14.2 Losses arising on other cases shall not be compensated by the Issuer, the Dealer(s) or the CSD if the relevant party has exercised due care. In no case shall compensation be paid for indirect losses.
- 14.3 Should the Issuer, the Dealer(s) or the CSD not be able to fulfil its obligations under the Conditions due to any circumstance set out in section 14.1, such action may be postponed until the obstacle has been removed.
- 14.4 The aforesaid shall apply unless otherwise provided in the Finnish Book-Entry System Act.

15. TAX

The Issuer is not liable to gross-up any payments under the Conditions by virtue of any withholding tax, public levy or the similar.

16. APPLICABLE LAW AND JURISDICTION

16.1 The Conditions shall be governed by Swedish law.

16.2 Disputes shall be settled by Swedish courts. Stockholm District Court shall be the court of first instance.

We hereby confirm that the above General Terms and Conditions are binding upon us

Stockholm, 2 July 2024

NORDEA HYPOTEK AB (PUBL)

PRICING SUPPLEMENT

PRICING SUPPLEMENT

for Nordea Hypotek AB (publ)'s issuance of EUR 100,000,000 Floating Rate Covered Bonds due 4 July 2031, issued on 30 October 2024 (to be consolidated and form a single series with the existing EUR 100,000,000 Floating Rate Covered Bonds due 4 July 2031, issued on 4 July 2024) under the General Terms and Conditions for the continuous offer of Covered Bonds

Terms used herein shall be deemed to be defined as such for the general terms and conditions dated 2 July 2024 (the “**General Terms and Conditions**”) set out in the Company Description of Nordea Hypotek AB (publ) (the “**Issuer**”) for continuous issuance of Covered Bonds, dated 29 October 2024 (the “**Company Description**”). Words and expressions not defined in the Pricing Supplement shall have the meaning set out in the General Terms and Conditions. This document constitutes the Pricing Supplement for the Loan described herein (the “**Loan**”).

Full information on the Issuer and the offer of the Loan is only available on the basis of the combination of this Pricing Supplement, the General Terms and Conditions, the Company Description and any documents incorporated therein by reference. The Company Description is available via www.nordea.se.

1.	Loan no:	2
	(i) Tranche:	2
2.	Total Nominal Amount	
	(i) aggregated nominal amount of the Loan	EUR 200,000,000
	(ii) for Tranche 2	EUR 100,000,000
	(iii) for Tranche 1	EUR 100,000,000
3.	Nominal Amount per Covered Bond:	EUR 100,000
4.	Issue Price:	
	(i) for Tranche 2	100 per cent
	(ii) for Tranche 1	100 per cent
5.	Currency:	Euro
6.	Issue Date:	4 July 2024
7.	Interest Commencement Date:	Issue Date
8.	Maturity Date:	4 July 2031
9.	Extended Maturity:	<p>Applicable (subject to approval by the SFSA in accordance with the General Terms and Conditions)</p> <p>If the Issuer does not repay the Loan in full on the Maturity Date (or within two (2) Business Days thereafter), the Issuer shall extend the Maturity Date to the Extended Maturity Date.</p> <p>For each Interest Period after the immediately preceding Maturity Date, the Loan shall be calculated with:</p> <p>Floating Rate Note (FRN):</p> <p>For each Interest Payment Date and Interest Period after the immediately preceding Maturity Date up to and including the Extended Maturity Date, the following</p>

		<p>applies in addition to what otherwise follows from the General Terms and Conditions:</p> <p>Base Rate: 3-months EURIBOR</p> <p>Margin: 0.33 per cent.</p>
10.	Extended Maturity Date	The day falling 12 months after the Maturity Date
11.	Repayment Basis:	Each Covered Bond is repaid at par (i.e. at an amount equal to its Nominal Amount)
12.	Type of Interest Rate:	Floating interest rate

13.	Additional terms and conditions for Loans with fixed interest rate:	Not applicable
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14.	Additional terms and conditions for Loans with floating interest rate:	Applicable
	(i) Base Rate:	3 months EURIBOR
	(ii) Margin:	+ 0.33 per cent
	(iii) Interest Determination Date:	Two Business Days prior to the first day of each Interest Period.
	(iv) Interest Period:	<p>The first Interest Period runs from the Issue Date to and including 4th October 2024, and thereafter from one Interest Payment Date to and including the next Interest Payment Date</p> <p>Any Tranches issued after the Issue Date will accrue interest from (but excluding) the date of their issuance to (and including) the next Interest Payment Date, or for a shorter period if applicable.</p> <p>For subsequent periods, interest will accrue from (but excluding) each Interest Payment Date to (and including) the next, or for a shorter period if applicable.</p>
	(v) Interest Payment Date(s):	4 th July, 4 th October, 4 th January and 4 th April each year (subject to the General Terms and Conditions), the first Interest Payment Date being on 4 th October 2024

Other information

15.	Expected credit rating on the Issue Date:	The tranche of Covered Bonds itself is expected to be rated Aaa by Moody's Investors Service Limited.
16.	Dealer(s):	Nordea Bank Abp
17.	Administrative Agent:	Nordea Bank Abp
18.	ISIN code:	FI4000577184
19.	Admission to Trading:	Nasdaq First North Bond Market maintained by Nasdaq Helsinki Ltd. Admission to trading shall take place no later than 30 days after the Issue Date.
20.	The earliest date on which the Covered Bonds will be admitted to trading:	The Issue Date
21.	Estimate of the total expenses related to the admission to trading:	Less than EUR 3,000
22.	Total number of Covered Bonds admitted to trading:	2,000
23.	Resolutions as basis for the issuance:	Resolution passed by the board of directors of Nordea Hypotek AB (publ) dated 23 May 2024.
24.	Interests:	The Issuer and the Dealer are part of the same group.
25.	Information from third parties:	Not applicable
26.	Use of proceeds:	General financing of the Issuer's and the Nordea Group's business activities
27.	The estimated net amount of the proceeds:	The Total Nominal Amount less customary transaction costs and fees (if any).

We hereby confirm that the above Pricing Supplement is applicable to Loan No. 2 together with the General Terms and Conditions and undertake to repay the Loan and to pay interest in accordance herewith. We confirm that any material event after the date of the Company Description that could affect the market's assessment of the Loan have been made public.

Stockholm, 29 October 2024

Nordea Hypotek AB (publ)

DESCRIPTION OF THE ISSUER

The Issuer

The Issuer's legal and commercial name is Nordea Hypotek AB (publ), registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) and with Swedish Reg. No. is 556091-5448. The head office of the Issuer is located at Smålandsgatan 15-17, L8300, 105 71 Stockholm and its phone number is 0771-40 10 60. The Issuer's LEI-code is 5493000K2HPWIF6MFO29. Pursuant to section 3 of the Articles of Association of the Issuer, the business purpose of the Issuer is to conduct financing business, with the permits of the Swedish FSA. The Issuer is regulated by the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) and the Swedish Banking and Financing Business Act (Sw. *lag (2004:297) om bank- och finansieringsrörelse*). The Issuer is authorised by the Swedish FSA to issue covered bonds in accordance with the Swedish Covered Bonds Act (Sw. *lag (2003:1223) om utgivning av säkerställda obligationer*).

The Issuer was founded on 10 January 1964 under the company name Kommunlåneinstitutet AB and was registered with the Swedish Companies Registration Office on 26 February 1964. In 1989 the Issuer became a wholly owned subsidiary to PKBanken and changed its name to PKKredit AB. The latest change of the Issuer's name and business was in 2001.

The Issuer is a member of the Nordea Group which is a Finnish banking group with a global presence and business in 20 countries.

The Issuer's parent company is Nordea Bank Abp, a Finnish bank, regulated by Finnish law and with its principal office in Helsinki. Nordea's shares are listed and traded on Nasdaq Stockholm, Nasdaq Copenhagen and Nasdaq Helsinki.

The Issuer is only present on the Swedish market and provides mortgages loans to private individuals sole traders, municipalities and other legal persons in Sweden. The purpose of the mortgage loans is to finance residential properties, real property and municipal activities. The absolute majority of the Issuer's lending is focused on the financing of residential properties. The mortgage loans are granted against security in the form of mortgage certificates in real property or tenant-owner apartments in Sweden and guarantees issued by municipalities.

Organisational structure

The Issuer is a wholly-owned subsidiary of Nordea and has no subsidiaries of its own.

The Issuer's business is closely related to Nordea and its businesses in Sweden. Pursuant to the service agreement entered into between the Issuer and Nordea, Nordea will perform all the daily business of the Issuer. As an example, the Issuer's has delegated its credit approvals to Nordea as part of the board of directors' credit instruction and other internal and external rules and regulations. In addition, Nordea is responsible for the marketing, selling, distribution, customer advice regarding the products of the Issuer, its funding (including registering issuances and payment of interest), accounting and reporting, allocation of the Issuer's capital in accordance with applicable rules, compliance matters and HR-related questions. Since the Issuer's business is so closely related to Nordea, the Issuer has a limited number of employees, being 24 persons.

Financing of the Issuer's operations

The Issuer finances its operations by issuing debt instruments both in Sweden and abroad. The Issuer also receives financing from Nordea. The Issuer can issue new debt instruments with or without the status of covered bonds. The Issuer's policy is to hedge against exposure to currency risks. In all material respects, the assets and liabilities are hedged with currency swaps. No significant changes in the Issuer's loan and financing structure have taken place since 26 August 2024, which is the date of the Issuer's most recently published unaudited (but reviewed) financial report.

Information on trends, legal procedures and significant agreements

No changes in the Issuer's future prospects have occurred since 26 August 2024, which is the date of the Issuer's most recently published unaudited (but reviewed) financial report. There are no authority proceedings, legal proceedings or conciliation proceedings (including as yet unresolved proceedings or proceedings of which the Issuer is aware that they may be initiated) which, in the Issuer's assessment, could have significant effects on the Issuer's financial position or profitability. The Issuer has also not been the subject of or a party to such a procedure during the twelve months preceding the approval of the Company Description. The Issuer has no material agreements outside its normal business that could result in a member of the Nordea Group receiving a right or obligation that would have a material adverse effect on the Issuer's ability to fulfil its obligations towards the Bondholders pursuant to the Conditions.

Board of directors and senior management

Board of directors

The board of directors per the date of this Company Description:

	<u>Year of birth</u>	<u>Other relevant assignments</u>
Per Långsved (chairman)	1976	Head of Personal Banking, Sweden, and Country Senior Executive, Nordea. Chairman, Böda Sand Beach Resort AB. Board member Quinolette AB
Peter Dalmalm	1968	Head of Business Banking, Sweden, Nordea
Emma Henriksson	1975	Chief Innovation Officer, Skandia Fastigheter AB. Board member, ÅWL Arkitekter AB
Elisabeth Olin	1961	Board member, Bankomat AB
Maria Sahlén	1979	Chief Operating Officer, Sweden Nordic Real Estate Partners
Tina Sandvik	1967	Head of Products & Development, Personal Banking
Adam Wastå	1983	Chief Financial Officer, Personal Banking, Sweden, Nordea

Senior management

	<u>Year of birth</u>	<u>Position</u>
Pia Tverin	1976	Chief Executive Officer
Magnus Svensson	1979	Chief Financial Officer
Emma Söderberg	1978	Chief Risk Officer
Maria Stolpe	1969	Chief Operating Officer
Ida Näslund (Acting)	1991	Senior Business Risk Manager
Malin Fransson	1992	Head of Credit
Sinda Lanz	1984	Compliance Officer

Addresses of the board of directors and the senior management

The senior management and directors of the board have the following office address: Nordea Hypotek AB (publ), L8300, 105 71 Stockholm

Conflicts of interest

Board members and members of the Issuer 's senior management are or may become customers of the Issuer and are granted mortgage credit by the Issuer. As far as the Issuer is aware, there are no conflicts of interest between the Issuer's interests and the interests of the above persons, except ordinary banking and rules for employees' securities and foreign exchange transactions. Regarding board members, in addition, e.g. the rules in the Swedish Companies Act on non-compliance apply.

Auditors

The Issuer 's auditors are Öhrlings PricewaterhouseCoopers AB. The principal auditor is Peter Sott, a member of the Association of Authorized Public Accountants (FAR). The auditor was appointed by the 2016 Annual General Meeting and re-elected at the 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024 Annual General Meetings. Öhrlings PricewaterhouseCoopers AB was re-elected as auditor until the end of the 2025 Annual General Meeting. AB, as an independent auditor for the Issuer in accordance with the Swedish Covered Bonds Act. The appointment is valid from 1 January 2016 and until further notice.

Share capital

The Issuer's registered share capital is SEK 110,000,000, divided into 100,000 shares. All the Issuer's shares are of the same share class and there is no difference in voting rights among the shares. The shares are fully paid.

OVERVIEW OF THE SWEDISH LEGISLATION REGARDING COVERED BONDS

The following is a brief overview of certain features of the Covered Bonds Act as of the date of this Company Description. The overview does not purport to be, and is not, a complete description of all aspects of the Swedish legislative and regulatory framework for covered bonds. In addition to the overview below, please also refer to the Section “Risk Factors” above.

Introduction

The Covered Bonds Act entered into force on 1 July 2004 and was last amended in 2022. It enables Swedish banks and credit market institutions (“**Institutions**”), which have been granted a specific licence by the Swedish FSA, to issue full-recourse debt instruments secured by a pool of mortgage credits and/or public sector credits.

The Swedish FSA has issued regulations and recommendations under the authority conferred on it by the Covered Bonds Act, including the Swedish FSA’s regulations and general guidelines regarding covered bonds (Sw. *Finansinspektionens föreskrifter och allmänna råd om säkerställda obligationer (FFFS 2013:1)*) as amended from time to time (the “**Swedish FSA Regulations**”).

Swedish covered bonds may take the form of bonds and other comparable debt instruments, such as commercial paper.

In the event of an Institution’s bankruptcy, holders of covered bonds (and certain eligible counterparties to derivative contracts entered into for the purpose of matching the financial terms of the assets in the cover pool with those of the covered bonds) benefit from a priority right in the pool of assets consisting of Eligible Mortgages, Public Credits and Supplemental Assets (all as defined below). The Covered Bonds Act further enables such holders (and derivative counterparties) to continue to receive timely payments also following the Institution’s bankruptcy, subject to certain conditions being met. However, such assets may be subject to country-specific regulations and credit risks different from what is outlined in this Company Description. Should the value of the Supplemental Assets or the Public Credits decrease, this may adversely affect the value of the relevant pool of assets.

The cover pool is dynamic in the sense that an Institution may supplement or substitute assets in the cover pool at any time. An Institution may establish more than one cover pool.

Registration

Information in respect of all covered bonds, assets in the cover pool, relevant derivative contracts and the collateral received from counterparties to such derivative contracts, as well as the funds derived from the collateral pool and derivative contracts must be entered into a special register (the “**Register**”), which is maintained by the Institution. The actual registration of the covered bonds and relevant derivative contracts in the Register is necessary to confer the priority right in the cover pool. Further, only assets entered into the Register and funds whose presence is recorded form part of the cover pool. The Register must at all times show the nominal value of the covered bonds, the cover pool and the relevant derivative contracts. As a result, the Register requires regular updating, including, without limitation, due to changes in interest rates, interest periods, outstanding debt and the composition of the cover pool. The value of the underlying collateral securing Eligible Mortgages in the cover pool must also be entered into the Register.

Eligibility criteria for assets in the cover pool

The cover pool may consist of certain Eligible Mortgages, Public Credits and Claims on Credit Institutions in accordance with the definitions below.

“**Eligible Mortgages**” means loans secured by mortgages over residential and commercial real property (Sw. *fastigheter*) situated within the EEA.

“**Public Credits**” means certain loans to (or guaranteed by), national governments, ESCB central banks, public sector bodies, regional governments or local authorities in the Union, as well as national governments of third countries, central banks of third countries, multilateral development banks, international organizations that qualify for certain credit quality steps set out in Article 129(1)(a) and (b) of the CRR.

“**Claims on Credit Institutions**” Claims on credit institutions consist of claims on Swedish or EEA credit institutions, which mainly include claims based on derivative contracts, money market instruments and bonds, and which qualify for certain credit quality steps as specified in Article 129(1)(c) of the CRR.

Loan-to-value ratios and certain other restrictions

For Eligible Mortgages, there is a maximum loan amount which may be included in the cover pool, depending on the value of the underlying collateral:

- 1) For residential collateral, a loan may be included in the cover pool only to the extent the loan amount does not exceed 80 per cent of the market value of the collateral.
- 2) For office or commercial collateral, a loan may be included in the cover pool only to the extent the loan amount does not exceed 60 per cent of the market value of the collateral.

Should a loan exceed the relevant ratio, only the part of the loan that falls within the permitted limit may be included in the cover pool (a “**Partly Eligible Loan**”). As specified in Article 129(1)(f) of the CRR, under certain conditions, a loan-to-value ratio of up to a maximum of 70% of the market value may be allowed for commercial real estate.

The Covered Bonds Act does not explicitly regulate how proceeds in respect of a Partly Eligible Loan shall be distributed between the eligible and the non-eligible parts of the loan. The most likely interpretation is that interest payments shall be allocated *pro rata* between the eligible and non-eligible parts of the loan and that amortisations shall be applied first towards the non-eligible part of the loan (absent enforcement of the security over the underlying collateral). However, proceeds from enforcement of the security should most likely be applied first towards the eligible part of the loan.

A similar situation arises if, for example, the same mortgage security serves as first-ranking security for two (or more) loans granted by an Institution and only one of these loans is included in the cover pool. The Covered Bonds Act does not give clear guidance as to how proceeds shall be allocated between the two loans in case of the Institution’s bankruptcy. The lack of guidance may give room for unsecured creditors of the Institution to argue that only a *pro rata* portion of such proceeds shall be allocated to the loan included in the cover pool.

Loans provided against security over commercial real estate, insofar as these are not mainly used for agricultural or forestry purposes, may not exceed 10% of the cover pool and claims against credit institutions may not, as a general rule, exceed 10-15%, depending on the credit quality of the credit institutions concerned, of the total amount of outstanding covered bonds.

Institutions are required to regularly monitor the market value of the mortgage assets that serve as collateral for loans included in the cover pool and at least once a year to analyse how future changes in market values may affect the loan-to-value ratios and the value of all such mortgage assets. If the market value of a mortgage asset declines significantly (around 15 per cent or more according to the preparatory works to the Covered Bonds Act), then only such part of the loan that falls within the permitted loan-to-value ratio will be eligible for inclusion in the cover pool and will be subject to the priority right described below. However, a decline in the market value following an Institution’s bankruptcy would not result in a reduction of the assets in which holders of covered bonds (and relevant derivative counterparties) have a priority right, but could result in the cover pool ceasing to meet the matching requirements.

Matching requirements

An Institution must comply with certain matching requirements, which, among other things, require that the nominal value of the assets registered to the cover pool exceeds the nominal value of the liabilities which relate to covered bonds issued from time to time by at least 2 per cent after deducting the costs of managing and settling covered bonds. The calculation shall be made on the basis of current book values. In order to comply with these requirements, the Institution may enter into derivative contracts, which will also be taken into account when testing the matching. To do so, the Institution is dependent on the availability of derivative counterparties with sufficient credit rating and also on such counterparties fulfilling their contractual obligations.

Furthermore, an Institution must compose the cover pool in such a way as to ensure a sound balance between the covered bonds and the assets in the cover pool in terms of currencies, interest rates and interest fixation periods. Such sound balance is deemed to exist when the present value of the cover pool at all times exceeds the present value of the liabilities relating to the covered bonds by at least two per cent. The present value of derivative contracts shall be taken into account for the purposes of such calculation. The calculations of present value shall withstand certain stress tests (changes in interest rates and/or currency exchange rates).

The payment flows relating to the assets in the cover pool, derivative contracts and covered bonds shall be such that an Institution is at all times able to meet its payment obligations towards holders of covered bonds and relevant derivative counterparties.

Non-performing assets in the cover pool which are more than 60 days overdue must be disregarded for the purposes of the matching tests. The terms of the assets in the cover pool in terms of currency, interest rates, fixed interest periods and maturity dates shall be such as to maintain a good balance with the corresponding terms of the covered bonds. A good balance is considered to exist if the present value of the assets in the cover pool at any point in time exceeds the present value of the covered bond liabilities. The calculation shall also take into account the present value of derivative transactions. The cash flows relating to the assets in the cover pool, derivative contracts and covered bonds must allow for the settlement of current payment obligations towards covered bond holders and counterparties in derivative contracts.

Assets in the cover pool that have been outstanding for 60 days may not be included in the cover pool for the purposes of the matching assessment.

Liquidity buffer and maturity extension

The Issuer shall ensure that the cover pool contains a liquidity buffer that covers the Issuer's aggregate net liquidity outflow in respect of covered bonds for the next 180 days. The buffer shall consist of claims against credit institutions that meet certain credit requirements unless the Swedish FSA temporarily allows otherwise. For a covered bond that meets the requirements for maturity extension as described below, the liquidity buffer shall be calculated on the basis of the principal amount of the covered bond according to the later maturity date of the contractual terms.

The maturity of a covered bond may be extended only with the approval of the Swedish FSA. Prior to the Swedish FSA's decision on approval, the Riksbank and the Swedish National Debt Office shall be given the opportunity to submit views. The Swedish FSA may grant an approval for a maturity extension if it is likely that an extension is likely to prevent the issuer from becoming insolvent and if it is clear from the contractual terms of the covered bond (i) that the maturity may be extended only with the approval of the Swedish FSA; and (ii) the conditions under which the Swedish FSA may give its approval. In addition, the later maturity date that will apply after an extension must be specified in the terms and conditions. For a covered bond that meets the requirements for maturity extension, the liquidity buffer shall be calculated based on the principal amount of the bond according to the later maturity date of the contractual terms and conditions.

Supervision by the Swedish FSA and the independent monitor

The Swedish FSA monitors that an Institution complies with the Covered Bonds Act and other provisions of the legislative and regulatory framework which regulates the business of the Institution. In addition, the Swedish FSA appoints an independent monitor (Sw. *oberoende granskare*) for each Institution that issues covered bonds.

The independent monitor is responsible for monitoring the Register to assess whether it is being maintained correctly and in compliance with the Covered Bonds Act and the Swedish FSA Regulations. The monitoring shall be risk-based. In particular, the independent monitor shall verify that (i) covered bonds and relevant derivative contracts are registered in the Register, (ii) only loans and Supplemental Assets that satisfy the eligibility criteria are included in the cover pool and registered in the Register, (iii) the valuations of the underlying collateral for loans in the cover pool are in accordance with the Covered Bonds Act and the Swedish FSA Regulations, (iv) mortgage loans, the underlying collateral of which has decreased significantly in value are, for the purpose of the matching requirements, deducted from the cover pool to the extent necessary to comply with the relevant loan-to-value ratio and (v) the matching requirements are complied with. In addition, the independent monitor shall annually review revaluations by the Institution of the underlying collateral.

The independent monitor is entitled to request information from the Institution, conduct site visits and is required to report regularly and at least once a year to the Swedish FSA. The Covered Bonds Act does not provide for any change to the independent monitor's remit upon the bankruptcy of an Institution.

Benefit of a priority right in the cover pool

Pursuant to the Covered Bonds Act and the Rights of Priority Act, the holders of covered bonds benefit from a priority right in the cover pool should the Institution be declared bankrupt (Sw. *försatt i konkurs*). The same priority is awarded to the Institution's eligible counterparties to derivative contracts entered into for the purpose of matching the financial terms of the assets in the cover pool with those of the covered bonds. Such derivative counterparties and the holders of covered bonds rank *pari passu* with joint seniority in relation to the cover pool.

By virtue of the aforementioned priority, holders of covered bonds and relevant derivative counterparties rank ahead of unsecured creditors and all other creditors of the Institution in respect of assets in the cover pool (except the bankruptcy administrator as regards fees for its administration of assets in the cover pool and costs for such administration and obligations under liquidity loans and other agreements entered into by the bankruptcy

administrator on behalf of the bankruptcy estate with a view to fulfilling the matching requirements for the cover pool (see further below). The priority right also covers cash deriving from the cover pool or relevant derivative contracts, provided that they have been added to the Register.

Due to what is generally regarded as an oversight by the legislator, there is some uncertainty as to whether a creditor that obtains execution (Sw. *utmätning*) against an asset in the cover pool earlier than three months before an Institution's bankruptcy could defeat the priority afforded to holders of covered bonds and derivative counterparties as regards such asset. However, an execution that is levied less than three months before the Institution is being declared bankrupt will typically not defeat the priority.

Administration of the cover pool in the event of bankruptcy

Should an Institution be declared bankrupt, at least one bankruptcy administrator would be appointed by the bankruptcy court and one bankruptcy administrator would be appointed by the Swedish FSA. The bankruptcy administrators will take over the administration of the bankruptcy estate, including the cover pool.

Provided that (and as long as) the cover pool meets the requirements of the Covered Bonds Act (including the matching requirements), the assets in the cover pool, the covered bonds and any relevant derivative contracts that have been entered into the Register are required to be maintained as a unit and kept segregated from other assets and liabilities of the bankruptcy estate of the Institution. The bankruptcy administrators are in such case required to procure the continued timely service of payments due under the covered bonds and any relevant derivative contracts. Consequently, the bankruptcy would not as such result in early repayment or suspension of payments to holders of covered bonds or to derivative counterparties, so long as the cover pool continues to meet the requirements of the Covered Bonds Act.

Upon an Institution's bankruptcy, neither the Institution nor its bankruptcy estate would have the ability to issue further covered bonds. However, the Covered Bonds Act gives the bankruptcy administrators an explicit and broad mandate to enter into loan, derivative, repo and other transactions on behalf of the bankruptcy estate with a view to maintaining matching cash flows, currencies, interest rates and interest periods between assets in the cover pool, covered bonds and derivative contracts. Counterparties in such transactions will rank senior to holders of covered bonds and derivative counterparties. The bankruptcy administrators may also raise liquidity by selling assets in the cover pool in the market for example. However, it is uncertain to which extent a bankruptcy administrator will be able to find necessary counterparties to enter into agreements to raise liquidity. If the bankruptcy estate is not able to raise sufficient liquidity, this could result in a holder of covered bonds not being paid in a timely manner.

If the cover pool ceases to meet the requirements of the Covered Bonds Act, and the deviations are not just temporary and minor, the cover pool may no longer be maintained as a unit and the continuous payment under the terms and conditions of the covered bonds and derivative contracts will cease. The holders of covered bonds and derivative counterparties would in such case instead benefit from a priority right in the proceeds of a sale of the assets in the cover pool in accordance with general bankruptcy rules. This could result in the holders of covered bonds receiving payment according to a schedule that is different from that contemplated by the terms and conditions of the covered bonds (with accelerations as well as delays) or that the holders of covered bonds are not paid in full. However, the holders of covered bonds and derivative counterparties would retain the benefit of the right of priority in the assets comprising the cover pool (although certain bankruptcy-related costs (such as fees payable to the bankruptcy administrators) would rank ahead of the holders of covered bonds and derivative counterparties). Any residual claims of the holders of covered bonds and derivative counterparties remain valid claims against the Institution, but will rank *pari passu* with other unsecured and unsubordinated creditors of the Institution.

Directive on covered bonds and Swedish implementation

Entry into force and transitional provisions

The European Union's covered bond directive and regulation, consisting of a directive and a regulation amending CRR, came into effect on 7 January 2020. LUSO entered into force on July 1, 2004, and has been amended several times since then, most recently on July 8, 2022. The above description is therefore relevant for covered bonds issued on or after July 8, 2022. For bonds issued before this date, LUSO applies in its previous version. For tap issues after July 8, 2022, certain transitional provisions apply.

LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION

Liability statement of the Board of Directors

We declare that, to the best of our knowledge, the information provided in the Company Description is accurate and that, to the best of our knowledge, the Company Description is not subject to any omissions that may serve to distort the picture the Company Description is to provide, and that all relevant information in the minutes of board meetings, auditors' records and other internal documents is included in the Company Description.

Financial calendar of the Issuer

The first annual general meeting of the Issuer following the application to First North Finland Bond Market is expected to occur in March 2025. The Issuer's audited annual report for the financial year 2024 is scheduled for publication in March 2025.

The Issuer's audited annual report for the financial year 2023 was published on 11 March 2024, and the Issuer's unaudited (but reviewed) interim half-year report for the period from 1 January 2024 to 30 June 2024 was published on 26 August 2024.

Important information incorporated through reference

The following information, which has previously been published, shall be incorporated in and form part of this Company Description:

(a) the information found on the following pages in the Issuer's audited annual report for 2023:

Income statement	page. 30
Balance sheet	page. 31
Statement of changes in equity	page. 32
Cash flow statement	page. 33
Notes to the financial statements	page. 34-80
Auditor's report	page. 83-86

(b) the information found on the following pages in the Issuer's audited annual report for 2022:

Income statement	page. 30
Balance sheet	page. 31
Statement of changes in equity	page. 32
Cash flow statement	page. 33
Notes to the financial statements	page. 34-80
Auditor's report	page. 83-86

(c) the information found on the following pages in the Issuer's unaudited (but reviewed) interim half-year report for the period from 1 January 2024 to 30 June 2024:

Income statement	page. 4
Balance sheet	page. 5
Statement of changes in equity	page. 6-7
Cash flow statement	page. 8
Notes to the financial statements	page. 9-26
Auditor's report	page. 29

Pages or sections that are not expressly referenced above have not been included by reference either because they are not relevant to investors or because conflicting information is provided elsewhere in this Company Description. The Issuer's audited annual reports for 2022 and 2023, as well as the Issuer's unaudited (but reviewed) interim half-year report for the period from 1 January 2024 to 30 June 2024, are available on the Nordea Group's website via <https://www.nordea.com/en/investors/swedish-subsiary-reports>

The financial statements for the Issuer are prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (Sw. *lag (1995:1559) om årsredovisning i kreditinstitut och värdepappersbolag*), the accounting regulations of the Swedish FSA (FFFS 2008:25 with amendments), and the accounting recommendation RFR 2 Accounting for legal entities issued by the Swedish Financial Reporting Board. This means that the Issuer applies International Financial Reporting Standards (IFRS) as endorsed by the European Commission to the extent possible within the framework of Swedish accounting legislation and considering the close tie between financial reporting and taxation.

The Company Description and the Issuer's certificate of registration and articles of association are available on the Nordea Group's website www.nordea.com (information on the website that is not expressly incorporated into this Company Description by reference does not form part of this Company Description)

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